IN THE ARMY

The following-named cadets, graduating class of 1979, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3284 and 4353:

Grant, Michael W., xxx-xx-xxxx
Hill, Curtis B., xxx-xx-xxxx
Sobers, Arthur A., xxx-xx-xxxx
Traylor, Jimmie L., xxx-xx-xxxx
Williams, Thomas W., xxx-xx-xxxx

U.S. INTERNATIONAL TRADE COMMISSION

Robert E. Baldwin, of Wisconsin, to be a Member of the U.S. International Trade Commission for the remainder of the term expiring June 16, 1981, vice Italo H. Ablondi, resigned.

CONFIRMATION

Executive nomination confirmed by the Senate November 20, 1979:

DEPARTMENT OF EDUCATION

Shirley Mount Hufstedler, of California, to be Secretary of Education.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

WITHDRAWAL

Executive nomination withdrawn from the Senate November 30, 1979:

U.S. INTERNATIONAL TRADE COMMISSION

Robert E. Baldwin, of Wisconsin, to be a Member of the U.S. International Trade Commission for the remainder of the term expiring June 16, 1980, vice Italo H. Ablondi, resigned, which was sent to the Senate on November 28, 1979.

SENATE—*Monday, December 3, 1979*

(Legislative day of Thursday, November 29, 1979)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by Hon. J. JAMES EXON, a Senator from the State of Nebraska.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

From the rising of the Sun unto the going down of the same the Lord's name is to be praised. The Lord is high above all nations, and His glory above the heavens.—Psalms 113: 3, 4.

Let us pray.

Righteous God, Ruler of men and nations, who has brought us through the perils of the past to this time of testing in the present, grant to our leaders a sacred stewardship in the use of force, employing neither too little or too much or the wrong kind for the achievement of justice. Keep us firm and strong but free from hate and hardness. Be with the representatives of this Government wherever and however they serve throughout the world. Grant to the captives grace and strength, and to those who must risk themselves grant courage and sustaining grace. Guide by Thy higher wisdom all who serve in the Government that neither dangerous duties nor hard decisions may separate us from Thy love and from living as loyal disciples of Him who has brought life and freedom and redemption. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 3, 1979.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable J. JAMES EXON, a Senator from the State of Nebraska, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. EXON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the majority leader.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE NEED FOR UNFLAGGING RESOLUTION AT THIS TIME

Mr. ROBERT C. BYRD. Mr. President, the unified support for the U.S. position that has been evident this weekend in the United Nations Security Council debates concerning the outrage against the American Embassy and staff in Tehran is encouraging and heartening. Fortunately for the future of the international diplomatic process, most civilized nations realize the threat posed to world order and security by the actions of the Khomeini regime in violating diplomatic laws, principles, and protocols that were honored even in time of war. In the Security Council, representatives of one nation after another, including the Soviet Union and the People's Republic of China, have added their voices to the cry that the American hostages should be released immediately and unconditionally.

As welcome as this unified support is, the unity of spirit among the citizens of the United States is even more significant, and no one in any country, should fail to recognize that the people of our country have probably not been so united in their determination, revulsion, and indignation by any international assault and insult since the attack on Pearl Harbor in 1941.

Oftentimes, authoritarian governments, unversed in the workings of a complex democratic republic, mistake the currents of debate in the United States for signs of essential weakness or a lack of national solidarity. Such governments, groups, or individuals who so misinterpret the normal functioning of the democratic process in the United States should be under no illusions whatsoever and should be on notice that the people of the United States view the attacks on our Embassies, and especially our Embassy in Tehran where American hostages are being held, as an attack on the American people and an attack on our entire country, and they should be on notice that the current stance of our Government under the leadership of the President of the United States in relation to the despicable developments in Tehran mirrors the will of the American people, the will of all the people of this country; and that where the safety, well-being, sanctity, and immediate release of the American hostages in Tehran are concerned, the American people are of one immovable, unshakable resolve, and the voice of the President of the United States is the voice of all Americans, of both major political parties.

Mr. President, I commend the American people for the patriotic spirit that they have demonstrated during this national ordeal and for the extraordinary restraint, patience, maturity, and comprehension that they have generally evinced in the face of the extraordinary provocations to which we have been subjected. I urge that all our citizens continue in this spirit, and that we not waver of vacillate in our purpose until the Americans in captivity in Tehran are released and safely returned to their families and friends in the United States. The singleness of mind of 220 million Americans at this point and at this moment is one of the most powerful weapons of suasion and influence that we can exert on events in Iran, and with that singleness of mind and singleness of purpose we can best demonstrate that such aberrations as those we have witnessed against our diplomats are beyond

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the tolerance of civilized governments in any age, now or at any time in the future.

(Mr. BRADLEY assumed the chair.)

SECURITY MEASURES IN THE SENATE

Mr. ROBERT C. BYRD. Mr. President, action will be taken in the next several weeks to enhance security in the Senate Chamber and in the Senate office buildings. These measures should be viewed as progress toward fully implementing a program which was designed more than 2 years ago to provide maximum protection for Senators, staff, the visiting public, and for the Capitol buildings. The original plan was designed to phase in the use of additional security personnel and metal detection devices. Due to the unfortunate incident which recently occurred in Senator KENNEDY's office, the phasing in of these measures has been accelerated.

I am aware of the implication of installing extensive security measures. I realize that Senators, staff, and the public may be inconvenienced by having to face routine clearance procedures upon entering office buildings. However, I am sure we all realize that these steps have been taken to insure the protection of everyone, not only Senators, not only staff, but the American public as well as it visits these buildings, and I am sure that everyone will cooperate.

I am also sensitive to the impact and impression that increased security procedures and personnel will have on the visiting public. Except for a brief period in 1972 after another security incident, the American public historically has had extensive access to the Capitol and congressional offices, an opportunity unheard of in many capitols throughout the world. Every Member of this body, as well as our colleagues in the House, has encouraged and welcomed visitors, not only from the State each Senator represents, each Member of the House represents, but from around the world. This practice has allowed American citizens, young and old, to get a bird's-eye view of their representatives and their Government at work. It has also seved as a statement to the international community of America's commitment to openness in Government. Public access to the day-to-day workings of the legislative branch is more than a symbol of democracy, it is an operational component of it.

Presently, there are no plans to limit access to the general public. However, it disturbs me that we will have to inconvenience the public and our own staffs in any way, and, perhaps, ourselves, by installing the extensive security precautions. Unfortunately, there are a few individuals in this world, relatively speaking, who wish to do harm to Members of this body or to the buildings that make up the Capitol Hill complex of the Senate and congressional offices. I feel it is out of necessity for the protection of the people who work in these buildings, the people who visit these buildings from our States, and the protection of the buildings themselves that the Senate take these security precautions.

The Senate is fortunate to have a professional and competent police force that will be responsible for fully implementing all security measures. These measures have had proven success in detecting dangerous devices brought into Senate facilities and into the Capitol Building in the past. It is hoped that they will continue to serve as deterrents to potential threats in the future. I trust that with everyone's cooperation and understanding, the Senate security force will be successful in maintaining the safety of all of us.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the acting minority leader is recognized.

SENATOR KENNEDY'S STATEMENTS CONCERNING THE SHAH OF IRAN

Mr. STEVENS. Mr. President, so that there is no misunderstanding, because I voiced these comments prior to the convening of the Senate, I want to say on the record the comments I have made concerning the statements made by the Senator from Massachusetts yesterday as he criticized the regime of the Shah of Iran.

It does not seem to me this is the kind of statement that should be made by an incumbent Senator or by a Presidential candidate because it voices the comments that are being made by those who call themselves students, who are holding our hostages in Iran.

I believe at this time we can only speak with one voice in dealing with the dissidents who are holding these hostages, and that voice, under our system, must come from the executive branch, from the President, and for the President through the Secretary of State.

To have made the statements that the Senator has made I think may give these people who are holding our hostages reason to believe if they hold them longer they may, in fact, start a trial in this country of the actions of the Shah or those of our people who dealt with the Shah during his period of time as head of the Government of Iran.

I commend those in the Presidential race, those other candidates and those Members of the Senate—I think so far all Members of the Senate have maintained a solidarity behind the President and behind the dealings of the administration in attempting to secure the release of our fellow citizens who are held hostage.

I hope Senator KENNEDY will desist from this course and once again join all of us who are trying to convince those dissidents who are holding our hostages that they will secure no solace in this country for their point of view so long as those Americans are held captive in Tehran.

Mr. President, I have some other remarks. I would like to defer to the Senator from Arizona (Mr. DECONCINI). I ask unanimous consent that the remainder of my time be deferred until the time when my order will come before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, let me withdraw that.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR DECONCINI

The PRESIDING OFFICER. Under the previous order, the Senator from Arizona (Mr. DECONCINI) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I have an order?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I would be very happy to yield all of my time to the distinguished Senator from Arizona with the understanding that he yield a couple of minutes, 2 or 3 minutes, to Mr. PROXMIRE.

Mr. DECONCINI. I thank the majority leader, and I do yield the time so indicated to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I thank the distinguished majority leader for his graciousness, and also the distinguished Senator from Arizona (Mr. DECONCINI) for yielding me the time.

HAITI'S HUMAN RIGHTS DIVISION AND THE NEED FOR INTERNATIONAL LAW

Mr. PROXMIRE. Mr. President, this week the Government of Haiti announced the creation of a Human Rights Division in their Ministry of Foreign Affairs. Georges Salomon, Haiti's Foreign Minister, said the new human rights office would provide a liaison between the Haitian Government and national and international organizations working to further human rights protection.

It is too early to tell whether the new division is a meaningful attempt to protect human rights or merely a cosmetic reaction to appease world opinion. Having witnessed such flagrant crimes against humanity committed in the past by the Haitian Government, we can only hope that this effort is sincere. Perhaps it is a first step.

While it was not the only motivating force, criticism from the international community was certainly a major influence in Haiti's decision to at least acknowledge the need to better protect human rights. If the United States, along with other concerned nations, continues

to demand that the Haitian Government respect the rights of man, the new human rights office could turn out to be more than a mere political propaganda facade.

While the creation of human rights offices in nations is an important step, there is a more fundamental task facing the world community—the establishment of a firm human rights principle under international law. Countries who have failed to protect human rights must be made aware that the international community has laid down rules governing the protection of human rights.

Why, then, has America failed to accept the covenant providing for international law protecting the most basic fundamental human right? Why has the Senate not declared genocide a crime against humanity? Why have we not ratified the Genocide Convention?

We have been afforded innumerable opportunities. For 30 years the Genocide Treaty has been before the Senate. For 30 years we have failed to accept the cornerstone for the protection of human rights through international law.

Let us correct this failure. Join with me in proclaiming intolerance of genocide. Let us ratify the Genocide Convention now.

I thank my good friend from Arizona, and I yield the floor.

(Mr. FORD assumed the chair.)

THE SALT II TREATY IS FLAWED

Mr. DECONCINI. Mr. President, I rise today to discuss the SALT II treaty.

The SALT II treaty, as negotiated and signed by the President and as modified and reported to the Senate by the Foreign Relations Committee, is flawed. I have come to this conclusion reluctantly after considerable study and thought. The treaty does not, as it ostensibly purports, enhance American security; nor does it, as its advocates claim, contribute to international stability and world peace. Rather, it legitimizes the outcome of a decade-and-a-half-long arms race that the United States has lost, or is in the process of losing by refusing to participate. The treaty is a clever legal facade behind which is hidden the fundamental and growing military inequality between the United States and the Soviet Union. It saves face for American Government officials by proclaming strategic parity; yet, that parity is no more than an illusion, a diplomatic sleight-of-hand. The vaunted strategic equality of SALT II is no more real than the flickering shadows on the walls of Plato's cave. Both deceive the viewer and mask the truth.

The disconcerting fact that every American must face, and face squarely, is the decline of American military power. Our capabilities have been eroding for a decade and a half while those of the Soviet Union have been growing at a rate and with a degree of technological sophistication few analysts thought possible.

The SALT II treaty is not to blame for American military weakness—that weakness is to blame for the shape of this treaty. It is this causal relationship that raises the pivotal issue of the Senate debate: Should the United States accept the inferior status imposed upon it by its own lack of will and foresight and assent to a document that will perpetuate the myth of American military equality with the Soviet Union until that myth collapses under the weight of Soviet political demands? Or should we, instead, accept the truth of our own weakness, reject the treaty, and begin to rebuild our strategic and conventional forces to insure American survival and the integrity of the dwindling entity, the free world?

The latter course of action also carries with it certain risks. To be sure, Soviet propaganda will denounce us as warmongers, and a certain segment of world and domestic opinion will be convinced. Some of our allies will be anxious—they, less than we, are reluctant to face the truth; it is more comfortable to allow oneself to be deceived than to struggle to stem the tide of events. Others are genuinely convinced that SALT II reduces arms and offers the hope of a new era of international cooperation and good will. But the sincerity and depth of their belief will not make it so.

The SALT II treaty enshrines a strategic doctrine that has guided American thinking for 15 years and which is largely responsible for the pitiful state of our defenses. America's precipitous fall from power has followed closely the adoption in the mid-1960's of the doctrine of mutual assured destruction. The Kennedy administration originally debated and rejected this strategy, opting instead for counterforce. Counterforce was expensive and required that the United States deploy a range of weapons systems to provide maximum response flexibility. Mutual assured destruction replaced counterforce at the time of the Great Society and the Vietnam war—as much as anything, it provided a rationale for cutting back on strategic weapons systems while the United States was involved in a conventional war in Asia and massive social welfare programs at home.

Mutual assured destruction is the intellectual equivalent of the Maginot Line—it promises unlimited security irrespective of what the enemy may do. Moreover, nuclear weapons are elevated to a transcendental force capable of guaranteeing world peace and stability. Historically, such fanciful inventions have been the product of peaceful and defense-minded peoples who preferred easy solutions to the hard reality of international relations. They have always been challenged and destroyed—usually at a great cost in human life—by the aggressive and warlike.

The doctrine of mutual assured destruction is simple: The awesome destructiveness of nuclear weapons insures they will never be used against an opponent who possesses them. Furthermore, the chance of any conflict between two nuclear-armed opponents is dramatically reduced because of the potential for escalation. The efficacy of the doctrine hinges on the capacity to retaliate after an attack. Each nation must be able to deploy nuclear weapons that can survive a first strike. This has led the United States to concentrate much of its efforts on submarines capable of launching nuclear-armed missiles. Under the premises of mutual assured destruction, it is wasteful, even absurd, to develop nuclear weapons capable of initiating, fighting, and winning a war.

Soviet military planners, unhappily, have never accepted mutual assured destruction. Their inability to perceive the inevitable, according to our strategists, matters little; whether the Soviets accept it or not, assured destruction is a fact that must lead to superpower stability. Influenced partly by Marxist-Leninist doctrine which could never accept such a limitation on socialist expansion and ultimate victory and partly by a less cataclysmic view of nuclear weapons, Soviet planners have developed a nuclear arsenal based upon the premise that a nuclear war can be fought and won without precipitating the destruction of Soviet society. Their current inventory of weapons precisely reflects that view.

American and Soviet negotiators have, thus, approached SALT II from fundamentally different perspectives. Americans enthusiastically wanted to demonstrate the principle that arms reductions and control was possible, betraying not a little evangelical fervor. We exhibited maximum flexibility on practically every issue. No problem was insurmountable because ultimately our negotiators believed American security interests were protected by mutual assured destruction. Major concessions were made for the principle of arms control. When the Soviets proved contentious and adamant, we argued it was because their society and institutions lacked flexibility. Their intransigence on such issues as the SS–18 and Backfire was treated more as stubbornness that had to be humored than reflective of a darker strategic purpose.

To the Soviets, SALT has always been an integral part of their overall strategy. Its purpose was to consolidate and legitimize gains already made while enticing America to continue moving down the path of arms self-restraint. In the protocol, for example, the Soviets insisted that we agree not to deploy a mobile ICBM. This seems absurd on its face since the United States could not deploy, under the best of circumstances, any mobile missiles until 1985, or beyond. However, the Soviet goal is to make the protocol the basis for SALT III negotiations. In this manner, they hope to eliminate any American deployment of the MX (or similar) missile.

By giving Americans a false sense of security, mutual assured destruction has led to the negotiation of an arms limitation treaty that is indefensible. Confronted with challenges to specific provisions, proponents cavalierly suggest that any inequities will be cleared up in SALT III. This is precisely what was said during the SALT I debate. Proponents of the treaty do not deny its faults;

rather, they minimize the implications of those faults by reference to mutual assured destruction. Some administration spokesmen have even suggested that so long as one American submarine armed with nuclear missiles can survive, the Soviets will be deterred. This is an obviously absurd extension of the flawed logic implicit in mutual assured destruction. But the frame of mind it betrays demonstrates why American negotiators capitulated to Soviet demands.

As negotiated, SALT II lays the foundation for an era of Soviet-American confrontation in which the United States will inevitably lose. Our military options will be so drastically reduced that we will continuously be forced to concede or risk destruction. Unless the inequities in SALT II are eliminated, the United States will perpetually—subtly and not so subtly—be subject to nuclear blackmail.

A number of specific provisions contribute to this result. First, the treaty does not count the Soviet Backfire bomber in the total allowed launchers. At present, the Soviet Union has between 120 and 150 of these supersonic, intercontinental bombers. They are easily capable of hitting targets in the United States without refueling, and they are far more capable of penetrating our air defenses than any American bomber is of penetrating Soviet air defenses. The Backfire is the best and most capable Soviet bomber. Yet, the treaty counts all 569 American B–52 bombers even though less than 400 are even operational and those are obsolete. This provision alone is sufficient, in my judgment, to deny approval of the treaty. Yet, it is only one of a series of unilateral concessions.

Second, the treaty allows the Soviet Union to deploy 308 SS–18 heavy missiles while the United States is denied this right. The SS–18 is the most powerful and most destructive weapon system that exists in the world today. It has the potential to carry 40 independently targeted reentry vehicles on each missile, and is presently armed with at least 10. By itself, this provision allows the Soviets a minimum of 3,080 nuclear warheads. More importantly, each of those warheads is exceptionally accurate and can destroy any presently existing American missile base, including hardened sites.

The treaty thus gives the Soviet Union an unacceptable war-waging capability against the United States. Using only two-thirds of its SS–18 force, the Soviets could destroy virtually our entire Minuteman force. With the remaining one-third, they could destroy most of our B–52 bombers, our submarine bases, Washington, D.C., SAC Headquarters, NORAD, and the largest 100 urban centers in America. It should be underscored that this devastating destruction would be the result of only the SS–18 missile. The Soviets also have the SS–17 and SS–19, each of which is more powerful than our Minuteman, but which, under the terms of the treaty, are treated as light, not heavy missiles. To treat one SS–18 as the equivalent of one American Titan is a travesty; it is part of the meaningless illusion of equality created by SALT II.

Third, the Soviets have developed a mobile missile designated as the SS–20. They claim that this missile which carries three independently targeted warheads is of medium range and designed for the European theater. It can also be used against targets in Africa, the Middle East, and China. If, however, the SS–20 is reduced from three warheads to one, its range becomes intercontinental and can be used against targets in the United States. Since it is launched from mobile platforms—items which the United States is prevented from deploying for the duration of the protocol—it is also practically invulnerable to attack.

The Soviet Union is in the process of deploying 750 to 1,000 SS–20 mobile launchers, none of which is counted in the treaty. The SS–20 launcher is equally capable of firing an SS–16 missile, which is an intercontinental device. Furthermore, the SS–20 missile is identical to the SS–16 except that it lacks a third stage. Thus, the 750 to 1,000 SS–20 launchers scattered around the Soviet Union could easily and quickly be loaded either with SS–16's or the warhead weight could be changed. In either event, this "oversight" in the treaty gives the Soviet Union the potential of 3,000 additional nuclear warheads capable of hitting the United States, all of which would be invulnerable to American attack.

Fourth, the treaty does not deal adequately with the cold fire, reload capability the Soviet Union has developed. When the Minuteman is fired from its silo, ignition occurs within the silo itself, destroying the launching apparatus. In counting American missiles, therefore, it is reasonable to assume that one silo launcher equals one missile. The Soviets, however, now have the capability to reuse their launch silos by pushing the missile out of the silo with compressed gases and igniting the missile above ground. This prevents damage to the launch mechanism and allows reloading within a number of hours. This new capability would allow them to conduct a first strike, reload, and present the United States with a missile force almost undiminished in strength.

Because the issue of verification has received so much attention, the administration has strived to give the impression that every element in the treaty is subject to verification that is in no way dependent upon Soviet cooperation. To a considerable extent, this claim is valid. But there are portions—crucial portions—of the treaty that either cannot be verified or which, to one degree or another, depend upon Soviet cooperation.

The treaty limits missile launchers, not missiles themselves. Unless they have followed the evolution of SALT II rather closely, most citizens are probably unaware of this distinction. Originally, the United States, quite logically, proposed that the number of missiles be limited. This was rejected by the Soviet Union because it would have required onsite inspection. We eventually accepted limitation of launchers because these could be monitored by satellites. A launcher is generally a large hole in the ground or a submarine, both of which are hard to disguise and take time to construct. At the time, mobile launchers and reloadable silos had not been developed or deployed. Today they are. Their existence calls into question the basic concept of the treaty.

It is generally conceded that satellite technology is not sufficient to detect the number or type of missile being produced in the Soviet Union. Missiles can be, and are, stockpiled. Satellites cannot locate mobile platform launchers such as the SS–20, nor can they determine if SS–16 missiles are located nearby or whether a third stage has been hidden close to the site. They certainly cannot reveal whether the payload of a SS–20 has been reduced to make its range intercontinental. Satellite technology cannot tell us much about whether a missile silo is cold fire and, thus, resuable.

Other aspects of verification concern the testing of missiles. For example, the treaty provides that a missile will be considered to have the maximum number of warheads for which it has ever been tested. To know this, we must be able to intercept test data and then properly interpret it. Recently, the Soviets have begun the practice of encoding that test data telemetry so that it cannot be recovered. In what the administration proclaimed to be a major concession, the Soviets agreed not to encode test data relevant to monitoring the terms of the treaty—however, they will decide which data is relevant. Adding this to the loss of listening posts in Iran and elsewhere, serious doubt has been cast upon America's ability to monitor the treaty.

Over the last few months, proponents of the treaty have generally retreated from their earlier claims of verifiability by changing the meaning of the word. It no longer denotes our ability to verify accurately every single provision. It was first watered down to mean a reasonable probability of verifying most of the provisions. More recently, however, the administration has argued that verification is adequate if cheating on a scale sufficient to alter the overall balance of power could be detected in time for the United States to take remedial action. This new definition abandons all pretense that SALT II is verifiable. It implicity concedes that cheating will probably occur. But, it asks the American people to console themselves with the thought that by the time cheating becomes so widespread and massive that it might alter the balance of power it can be detected. Thus, SALT II rests upon an act of faith—faith in the Soviets to abide by its terms, and faith in our intelligence agencies to alert us before it is too late.

The goal of arms control and limitation is a worthy one, and I doubt that any American would not welcome serious steps in that direction. Thus, I applaud the SALT process which was initiated by President Nixon and continued through Presidents Ford, and Carter. I am convinced, however, that as negotiated SALT II does not meet the minimal

standards for real arms control—a fact that is in no small measure the result of inappropriate American strategic thinking. The challenge that faces us is to reconceptualize and reconstitute our strategic thinking so that it matches the realities we will face during the 1980's and beyond. Once this has been accomplished, the SALT process should go forward.

Arms control and limitation is a mutual reduction of the most destructive and destabilizing weapons, but in a gradual and even-handed manner which preserves the underlying balance of power. History has repeatedly demonstrated that peace in the world is the product of equilibrium.

When, as was the case immediately preceding the outbreak of the Second World War, an expansionist nation meets no resistance, it is encouraged to press its claims yet another step further. In its present form, SALT II gives a decided military edge to the Soviet Union, upsetting the balance of power. This will destabilize international politics and may ultimately cause the disaster that arms control strives to eliminate.

The administration has insisted that no attempt be made to link conceptually Soviet foreign policy to the SALT II treaty. This "no linkage" approach is, in my judgment, a fundamental mistake. Arms control is not separate from foreign policy; if anything, it is the central foreign policy issue. It both reflects and influences the other dimensions of the superpower relationship. It is contrived and unrealistic to treat arms control in isolation because any treaty depends upon mutual perceptions of trust and goodwill.

Arms control simply cannot flourish in an atmosphere of intensifying superpower competition and antagonism. For the last decade, the Soviet Union has paid lip service to detente while pursuing an aggressive and adventuristic foreign policy in Africa, Asia, the Middle East, and Latin America. This escalation of activity is the existential manifestation of Soviet intentions. It matters little if their propaganda extols the virtues of detente if they actively seek at every turn to undermine the United States and free world. Detente implies moderation and an acceptance of the status quo. Soviet actions contradict Soviet words, and until the two are reconciled, meaningful arms control—not one-sided limitations like those in SALT II—will be unlikely.

Arms control agreements can become a powerful force for good. But they must be agreements which reduce and limit nuclear weapons without giving either party a strategic advantage. The SALT II treaty does not meet this test, and it would be a major mistake for the Senate to approve it in its present form. It may be possible for the Senate to correct its deficiencies. But without radical surgery, I intend to vote against SALT II and would urge my colleagues in the Senate to do likewise. The proper course for the Senate is to charge the administration to renegotiate a treaty consistent with American security interests and world peace.

Thank you, Mr. President.

RECOGNITION OF SENATOR STEVENS

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska (Mr. STEVENS) who, under the previous order, is recognized for not to exceed 21 minutes.

Mr. STEVENS. Thank you, Mr. President.

ALASKA LANDS ISSUE

Mr. STEVENS. Mr. President, I should like to continue my review of some of the major issues involved in the Alaska lands issue with respect to how the Senate Energy Committee has dealt with them.

One of the most important was that of transportation and access. This is really three separate issues: First is the establishment of major rights-of-way future transportation and utility systems such as the Alaska pipeline; second, the right of private and State landowners to utilize Federal lands for access to their own lands; and, third, the extent to which traditional methods of access such as airplanes, snow machines, and motorboats, would be allowed in different areas to be established by the bill.

The Senate Energy Committee dealt thoughtfully and fairly with each of these issues. It developed provisions which insure that environmental standards for transportation activities would be established and implemented. But it also established congressional policy and intent that adequate access not be frustrated or prevented by unnecessary regulation.

Future rights-of-way for major transportation systems was the first issue dealt with by the committee. The Energy Committee bill sets up a series of criteria upon which future right-of-way applications are to be judged. The Secretary of Transportation is to be involved in preparing the environmental impact statements for those applications where the Department of Transportation has program authority along with the Secretaries of Interior and Agriculture. Time limits are set for the completion of the EIS process and the applicant is granted the right to appeal to the courts if his application is denied.

Currently, the granting of rights-of-way is a discretionary authority vested in the Land Management Agency with no specific criteria for the review of applications for rights-of-way.

The Senate committee version takes into account the fact that the development of Alaska's surface transportation system is in its infancy. There are today less than 10,000 miles of roads in all of Alaska. This is less than the combined total of the roads in the District of Columbia and Montgomery County, despite the fact that Alaska is one-fifth the size of the whole United States.

The present authorities for granting rights-of-way on Federal lands are based upon the supposition that the major transportation systems are already in place as, indeed, they are in the West. This is not so in Alaska, and the Senate committee provisions permit the development of rational rights-of-way for the future utilization of our people.

Secondly, with regard to access to inholdings, it has always been considered a common law right that a private landowner has the right to utilize another landowner's land for access. The Senate Energy Committee recognized this right and has provided a complementary provision in Federal law to that of the common law right of access, and the Senate Energy Committee's bill does guarantee this right of access.

Under this provision the private landowner or the State of Alaska would be guaranteed access to their land, and this access would have to be adequate and feasible, that is, economic, for other purposes.

This provision is particularly important because the Senate committee bill establishes some of the largest Federal landholdings in the Nation, and it is possible that the establishment of these areas could effectively block access to private or State lands without this access provision.

Third, Mr. President, the traditional access methods such as airplanes, snow machines and motor boats are very important and they are of particular importance in rural Alaska. Because of the underdeveloped transportation systems, residents of rural Alaska utilize airplanes as though they were automobiles. We often call our planes our air taxis. The rivers have become our highways and in the winter time, snow machines are the most practical method of surface transportation in a considerable portion of Alaska. The continued use of these and other traditional methods of transportation is vitally important to our State. The Senate Energy Committee has recognized that and has provided that the continued use of these methods of transportation will be permitted, subject to reasonable regulation to insure that there is no damage to the environment in those areas set aside.

The Senate Energy Committee bill has dealt fairly with Alaska in relation to the transportation needs. I believe the committee crafted a series of new provisions to provide adequate transportation access and it has done so consistent with the desire of all for the protection of our environment.

Mr. President, I urge my colleagues to support the work of the Senate Energy Committee, which spent 60 markup sessions, developing these and other provisions. The Senate committee's version is a balanced project which deserves the support of the entire Senate.

THE IMPACT OF THE WINDFALL PROFIT TAX ON ALASKA

Mr. STEVENS. Mr. President, I wish also to comment upon the current windfall profit tax bill and its impact upon our State. At the present time, according

to the Department of Energy monthly report, we are importing more than 8 million barrels per day of petroleum products. This Nation has a daily consumption of more than 18 million barrels per day. This means that about 46 percent of our petroleum consumption is imported. Of our domestic production, which runs slightly over 8 million barrels daily, Alaska contributes 1.3 million barrels per day just from the North Slope. Roughly 1 out of 6 barrels of oil produced domestically comes from my State—an impressive amount. The problem with the current windfall profits tax bill, from my point of view, is that there is no tax included whatsoever on imported oil.

Mr. President, it is difficult for me to understand why, in our consideration of this tax, that oil imported from overseas is not dealt with at all. Currently, we have a situation in which the price of imported oil is increasing about $1 a month per barrel. It is interesting to review some of the prices we paid for this oil. In May of 1979, for example, the price of Indonesian crude was $16.84; of Iranian crude, $17.27; of Mexican crude, $18.56; Saudi Arabian crude, $14.62; the United Arab Emirates, $17.38; Venezuela, $15.76. Currently, I am told we pay an average of $23.98 per barrel.

An importer can acquire a contractual price for these oil imports with delivery of that oil to take place several months later. These are the people who are actually making any windfall. The vast profits that we read about are related to foreign oil transactions; they are not related to domestic oil transactions. In the first 6 months of 1979 the price of imported oil went up 59.4 percent, Alaskan crude on the other hand increased only 5.9 percent; one-tenth of the increase for foreign oil in the same period. Yet, under the windfall profits tax bill substantially more in terms of cash flow will be taken from one reservoir, the Prudhoe Bay reservoir, than from any other source. If the real purpose of this bill is to tax windfall profits, Mr. President, why does it not address the area where the greatest profits stand to be made?

Including the Bradley amendment, which would take an additional $6 billion, under this tax, $30 billion would come from Alaskan oil alone. And that is from the first production from that reservoir. There still remains some 800 million barrels of potential production in the west end of the Sadlerochit Reservoir. Unfortunately, only about 10 percent as much oil can be recovered per well in the west end as in the east end. That means that it is necessary to drill 10 wells in the west end to get the same production. Obviously, that means that costs increase at least tenfold—more than tenfold, because they are being drilled now as opposed to 4, 5, and 6 years ago. I would point out that I do not know of any other situation in which we would not allow the money that comes in from the first production to be placed back in the kitty to increase the production.

This is not wildcatting, this is not exploration; this is development of a known reserve, a reserve that is capable of producing over 800,000 barrels a day more than this country is currently producing.

The Bentsen amendment, which has been adopted, will bring some 300,000 barrels a day increased production by 1987, I am informed, at a projected cost of about $10 billion by providing incentives to independents bringing in new oil.

Furthermore, this amendment entirely exempts from the windfall profit tax the moneys that are necessary to produce the 300,000 barrels a day. Yet there is no incentive whatsoever given to develop the existing and known production potential of the North Slope. I have suggested the concept of the "plowback" or incentive for Alaskan production. That is meeting increasing opposition, however.

Mr. President, my good friend from Oklahoma has suggested a production tax credit for those actually bringing on new production following the passage of this bill. This would act as a credit against the windfall profits tax already paid so that they could have increased capital formation capability to continue to develop the area. This formula would reward success. In an area such as Alaska, it would be extremely helpful. While I believe a plowback to be a better approach, this other amendment is the very least the Senate should do in order to encourage development of potential oil and gas resources in my State.

Once again, Mr. President, I must say that I am alarmed at the fact that this bill will not even deal with the real area of increased profits. There is no tax whatsoever on the windfall that comes about from having entered into a contract for the delivery of imported oil and having that contract fulfilled several months later, when the actual market price in the United States is substantially higher.

That is where there is a true windfall. It is no windfall to have an increased price brought about largely by declining supply.

Furthermore, this is what I foresee, Mr. President, about 6 months from now, assuming that the Congress passes this tax bill, which is really an excise tax, at the President's request.

As there are few if any independents in my State, the Bentsen amendment will have no impact in providing incentives on Alaska. So in about 9 months from now, when we have suffered a reduction in the amount of imports allowed us from the OPEC countries—and we can all see that handwriting on the wall now—we will be faced with a situation in which some stimulus for domestic production will be necessary.

I do not see any stimulus in this bill. I foresee that the administration, which sent us this mistake of a bill, is going to have to face up to the question of incentives. They will have to reassess what is necessary in order to encourage increased domestic production of oil in the short run.

In the long run, we will be able to switch over to synthetic fuels. We will be making petroleum from coal from the State of the good Presiding Officer, Kentucky. Other areas of the country will also be producing more coal and we will be producing oil or gas from that coal as well. That is going to happen, but that is not going to happen in a short period of time.

Alaska could substantally increase its production of oil and gas now if incentives were provided and be producing energy well before the first synthetic fuel plant is on line.

The construction of the Alaska gas pipeline alone would be the equivalent, as far as new energy into the South 48 States, of our imports from Iran. We have known reserves of gas that are not capable of being delivered to the South 48 States because of the lack of a transportation system. The money to build that system could be provided for largely by the major oil producers.

The administration went to the major producers and said, "We want you to participate in the cost of construction of this pipeline." They agreed to put up $4 billion; the first time that has ever been done. And, if it can be worked out, consistent with our antitrust laws, it will be done.

But where is the money to come from if the windfall profit tax proposed by the administration takes away from those very people over the period of 11 years, some $30 billion, at a minimum?

I think it is foolish to have such a tremendous potential in our State and to have that potential unrealized because of foolhardy tax legislation.

Mr. President, as I indicated, in the west end of the Sadlerochit area, are 800 million barrels of some of the most costly oil in the country to produce. That is a lot of oil.

But, who, in any board room, in his right mind, would put up the money to produce that oil, knowing that he will make more money through imports? There is no windfall from producing North Slope oil and delivering it through the transportation network to market. There is no windfall profit potential, for any oil produced in the whole State of Alaska, compared to what can be gained from the import of oil from Venezuela, the Mideast, or Indonesia.

Yet, all those imports do not face one single dollar of taxation.

Mr. President, if we are talking taxes, I think the Senate ought to consider a tax on those imports; a tax of $1 per barrel for example.

As I have indicated, the rate is going up at $1 a month. If we had imposed a tax on imports 4, 5, or 6 years ago, as some of us suggested, we would probably not find ourselves in the situation we face today and what is more we could perhaps have deterred the continued increase in the cost of these foreign imports.

Mr. President, I hope we might have some exchanges. I was involved in an exchange with my friends from New Jersey and Rhode Island the other day. I had an appointment out of the building that I had to keep. But I would be very willing to engage in an exchange at length with them concerning the impact of this bill on the potential production in Alaska.

I certainly know what the impact of this bill will be on that potential. I hope

the people of the country understand that if this bill passes, at the very least, the potential production from Alaska will be greatly stretched out. It will not be available soon when it will really be needed.

Our No. 1 goal ought to be increasing domestic production. This bill, to me, runs contrary to that goal.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRUDE OIL WINDFALL PROFIT TAX ACT OF 1979

THE PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 3919, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3919) to impose a windfall profit tax on domestic crude oil.

The Senate resumed its consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:30 p.m. today.

There being no objection, the Senate, at 12:44 p.m., recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BRADLEY).

RECESS UNTIL 2:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2:30 p.m. today.

There being no objection, the Senate, at 1:31 p.m. recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ZORINSKY).

RECESS UNTIL 3 P.M.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Senate stand in recess until 3 p.m. today.

There being no objection, at 2:30 and 5 seconds p.m. the Senate took a recess until 3 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BUMPERS).

The PRESIDING OFFICER. The Senate will come to order.

The Senator from New Jersey.

Mr. BRADLEY. Mr. President, without losing my right to the floor, I yield to the Senator from Arizona for a unanimous consent request.

LEAVE OF ABSENCE

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may absent myself from the Senate, beginning at noon on December 4 until my return on December 12. The purpose is for a visit to Taiwan, which involves visiting Fu Jen University and other related matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 3:30 P.M.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Senate stand in recess until 3:30 p.m.

There being no objection, the Senate recessed at 3:00:44 p.m.; whereupon at 3:30 p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. BUMPERS).

RECESS UNTIL 4 P.M.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Senate stand in recess until 4 p.m.

There being no objection, the Senate recessed at 3:30:19 p.m.; whereupon, at 4 p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. CHILES).

CRUDE OIL WINDFALL PROFIT TAX ACT OF 1979

The Senate continued with the consideration of the bill (H.R. 3919).

The PRESIDING OFFICER (Mr. CHILES). The Senate will come to order.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOREN). Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I ask unanimous consent to have printed in the RECORD in our discussions on the windfall profit bill an editorial from the Wall Street Journal today entitled "Costly Catharsis" and another article from the Washington Post entitled "Oil Mining May Increase U.S. Supply Dramatically."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Dec. 3, 1979]

COSTLY CATHARSIS

As readers of this page know, we have disputed from the beginning the belief that higher domestic crude oil prices from decontrol can be passed through to consumers who are already paying the world price for refined products. If the prices cannot be passed through, then there can't be any windfall revenues and the tax will be paid out of the industry's current profits.

Now a high administration official, R. Robert Russell, Director of the Council on Wage and Price Stability, says as much. He told the Joint Economic Committee last Tuesday that the "windfall profits" tax "is a tax on capital."

It seems to us that Mr. Russell's remark is a pretty straightforward admission that there aren't going to be any "windfall" profits to tax. If the cost of higher priced crude oil were simply passed along in higher prices to consumers, the tax would fall on consumption, not capital.

Taxes on capital get passed along in another way, and Mr. Russell, to the great credit of his professional honesty, pointed out the route it takes. A tax on capital inhibits "investment in capital, and insofar as it does that it can in the long-run have inflationary impact by lowering productivity." In other words, it's a route to less economic growth and lower real incomes.

While the JEC was pondering the revelation that the "windfall profits" tax is going to be passed through to the consumer in lower living standards, Budget Committee chairman Muskie was on the Senate floor pressing to increase the tax.

The challenge of the 1980s, said Sen. Muskie, is to develop more ways to redistribute the wealth, which is to say, to tax capital. Besides, we need the money to balance the budget: "We have mortgaged our future. Without a more productive windfall profits bill, we just can't make the payments."

Having been the first to note way back then that the "windfall profits" tax was just another revenue measure to pay the spending bills, we don't fault the Senator for unabashedly treating it as such. But Sen. Muskie acknowledged so many "hard realities" about the perilous state of the budget in the absence of an even higher tax that he left many of his colleagues wondering about the budget process.

Senator Long noted that the Congress, by its own count, was staring in the face $446 billion in unanticipated revenues from the windfall profit and income taxes on the oil industry. Yet, Senator Long continued, the Budget Committee chairman was standing there saying that "all is lost, we are gone, because the $446 billion that we were not counting on will not be enough."

"All I can say," said Mr. Long, "is that those on the spending end have some very ambitious plans indeed. They had not anticipated the $446 billion and we had not anticipated their imagination in spending it. All I can say is that it just proves what I have said—it is beyond the capability of those on the Finance Committee to recommend tax increases as fast as somebody on some other committee can think of some way to spend them." The spending proclivities of the Congress, concluded Sen. Long, are sufficient to guarantee a budget deficit no matter how many taxes are laid on—or how few.

The problem is that the spenders are running out of things to tax and are resorting now to spending the seed corn by directly taxing capital itself, in addition to the income from capital. Of course, Senator Muskie's budget economists are telling him that he can spend our way to prosperity if he will just try hard enough. It is this atavistic policy advice, and not profitable oil companies, that is the real threat to the economy.

Just as grass-roots pressure and intellectual arguments for controlling spending and lowering taxes were beginning to take hold, along came a manufactured "energy crisis." The big spenders seized their opportunity and laid the groundwork for a big new tax by stirring up the public against the oil companies with the crudest kind of demagogy. Now they have their tax, and the spenders are off the hook for a while longer. Even with the tax, says Senator Muskie, given

the Congress's likely spending plans the budget will continue in deficit until 1988. The economy has lost another round.

Oh well, gorged on demagogy perhaps the country needs the catharsis of venting its emotions on the oil industry—just as long as everybody knows that there's no such thing as a free catharsis.

[From the Washington Post, Dec. 3, 1979]

OIL MINING MAY INCREASE U.S. SUPPLY DRAMATICALLY

(By J. P. Smith)

Back in the 1920s, a Union Oil geologist told his company he was onto a major oil discovery in central California. Impressed, Union drilled a string of wells and hit—black goo.

The geologist was fired.

Today that black goo is known as heavy crude and—thanks to some new developments in extraction technology—several oil companies are betting a lot of money that they can get it out of the ground and sell it at a tidy profit.

Getty Oil, for one, is opening a $21 million operation outside Bakersfield, Calif., not far from the Union find, to tap a reservoir Getty believes contains 400 million barrels of crude. Other companies are contemplating similar efforts in New Mexico, Utah and other oil-producing states.

In fact, Shell Oil's $3.6 billion purchase of California's Belridge Oil Co. earlier this year may have been predicated on Shell's ability to squeeze a lot more out of Belridge's holdings than could be obtained through conventional drilling.

The key to all this is oil mining, a term that encompasses several processes. In one, the oil-bearing rock is simply mined out of the ground and the crude "cooked" out of it. In others, huge pits are dug down to the oil formation and chemicals applied to loosen the oil. In still others, shafts are drilled underneath the reservoir and holes cut upward so the oil drips out, like sap from a maple tree.

These processes are attractive because they are applicable not only to heavy crude, but also to tar sands, a hydrocarbon-bearing soil called diatomite, and, perhaps most importantly, to oil fields of lighter crude where conventional wells have run dry.

Studies for the Interior Department's Bureau of Mines conclude that oil mining could increase America's economically exploitable oil reserves tenfold, adding hundreds of billions of barrels to the nation's current 30 billion barrels of proven reserves.

John Hutchins of Energy Development Consultants, who worked on one of the studies, says: "It's quicker and probably a lot cheaper than oil shale and coal liquefaction. The only thing left is just going out and trying it." And that is what Getty and the others are doing.

The idea of mining for oil is not new. A 1932 Bureau of Mines study by George S. Rice concluded, "Where conditions are favorable, mining methods in depleted oilfields may bring large financial returns and recover oil that might otherwise be lost."

But until recently an important factor has been lacking: price.

In the development of any mineral resource, the first question that must be answered is whether the deposit is "economic"—that is, can the mineral be mined and processed and sold for a profit at the prevailing price?

Oil is no different, and when crude was selling for $2 to $3 a barrel, only the cheapest extraction process could be employed profitably.

Now all that has changed.

Bureau of Mines consultants say that surface-mined oil can be produced at a cost ranging from $12 to $21 a barrel, and that the cost for oil from underground mining operations ranges from as little as $10 a barrel to $60 a barrel.

World oil prices have risen more than 70 percent this year. The Organization of Petroleum Exporting Countries is charging "official" prices averaging $22 a barrel, and also sells much of its oil on a one-time, or spot, basis at prices of up to $40 a barrel.

Richard Dick of the Bureau of Mines' Twin Cities Research Center in Minneapolis says: "A couple of million barrels a day of production from oil mining is possible, by 1990, no doubt about it."

Dick oversaw the studies prepared by Golder Associates and Energy Development Consultants and released to the public earlier this year.

"Under today's economics, many of the oil deposits in this country can be mined economically," he adds.

Sheldon Wimpfen, the bureau's chief mining engineer, also is optimistic.

"From a mining standpoint, all of this is proven technology in use worldwide," Wimpfen says.

Wimpfen became interested in oil mining years ago when he noticed that mining engineers continued to make advances in ore recovery processes, but that oilmen still left 40 percent to 60 percent of the oil they discovered in the ground, even with so-called "enhanced oil recovery" operations.

"We have some mineral operations that typically recover up to 90 percent of the ore, but the oil boys have settled for a lot less," Wimpfen continues.

In the last century, more than 450 billion barrels of oil have been discovered in the United States. But just 115 billion barrels have been produced. Current conventional production technology will allow the oil companies to produce about another 30 billion barrels, leaving some 305 billion barrels out of reach.

Another 26 billion barrels of oil are locked in Utah's tar sands, and billions more elsewhere. Then there are an estimated 30 billion barrels of "heavy" viscous oil in California, and billions more in shallow diatomite formations.

The one million to two million barrels a day of new production from oil mining that supporters say is possible, is equivalent to President Carters' most optimistic forecast of production from synthetic fuels by 1990.

Not everyone familiar with the oil mining concept is quick to embrace it, however, or agrees with the Bureau of Mines studies.

Lee Marchant of the Energy Department's Laramie Energy Research Center is one of the skeptics. He says the optimistic conclusions of the Golder Associates and Energy Development Consultants studies "have to be considered speculative." Further, Marchant says, the firms have a "vested interest" in generating more studies through their encouraging reports.

Until an oil or mining company actually mines oil on a commercial scale, Marchant says, it will be too soon to accept unequivocally the bureau's economic analysis.

As for the priority the Department of Energy assigns to oil mining, Marchant says: "We don't see spending a large portion of our money on this technology. . . . We feel mining is only applicable to a small percentage of our total resource."

Conoco, a major oil company that has tried underground oil mining methods on a limited basis on its Lakota field near Casper, Wyo., is skeptical.

"If reservoir conditions are favorable, we might try this again," says Aurelio Madrazo, Conoco's head of North Ameican production.

Conoco has been operating a 50-barrel-a-day underground mining plant for the last three years, draining oil into a 2,000-foot-long horizontal shaft, 180 feet underground, beneath a shallow oil field.

"It's not something we see as solving the energy crisis," Madrazo says. "It is still a very small contribution."

Getty Oil Co., however, is moving ahead with its $21 million pilot plant at its McKittrick field outside Bakersfield.

Construction will begin early next year, Getty spokesman George Schwarz says, and the company expects to be producing 20,000 barrels a day by the late 1980's.

The McKittrick operation, if it works, is an illustration of oil mining's potential. Discovered in 1896, the McKittrick field produced 15,900 barrels a day at its peak. But by June of this year, production had dropped to 6,000 barrels a day.

Schwarz says Getty is confident that the company will be able to extract nearly 400 million barrels before the field is mined out—largely through digging and processing hydrocarbon-rich diatomite overlying the field. The 400 million barrels Getty hopes to get amount to nearly twice the total production from the field during the 80 years it has been worked.

Most of the oil-soaked diatomite laced through and around the McKittrick field easily can be surface-mined. A few miles away, another company has a surface mining operation to extract diatomite that is free of oil, for use as cat litter.

Getty's pilot plant will produce 150 barrels of oil daily, from 240 tons of surface-mined ore processed at one of two facilities.

The purpose of the test is to determine which of the two methods of separating the oil from the ore is the most profitable. One method will employ a variation of a process devised by the Germans to convert coal to oil. The other will use a solvent from Dravo, a company that is experienced in extracting vegetable oil from soybeans.

"With conventional methods you can't get the oil out, but mining should work," Schwarz says.

Similar plans are under way in Utah to mine and process billions of barrels of oil locked in tar sands deposits.

Dr. Francis Hansen, of the University of Utah, says that maybe 25 percent of the state's tar sands can be surface-mined. While no major oil company has announced plans to go ahead, several are exploring it, Hansen says.

Hansen and other researchers believe it is feasible to construct units that could produce from 50,000 to 150,000 barrels a day by mining the tar sands. They believe the process could yield quality oil that could be sold profitably at $25 a barrel.

"I'm bullish on oil mining," Hansen says, adding, "It is only a year or two away."

The nation's largest gasoline retailer, Shell Oil Co., according to oil industry executives, also has plans for mining-style operations to recover billions of barrels of oil in the 33,000 acres of Kern County, Calif., fields it bought from Belridge Oil Co.

"There is a widespread belief that Shell has the capability to squeeze oil out of those formations," says Bruce Wilson, an energy analyst with the brokerage firm of Smith, Barney, Harris, Upham Co. Inc.

"If you have a process with a higher recovery rate, then you have a larger exploitable resource base," Wilson points out.

This could explain why Shell's purchase of Belridge—the largest merger in U.S. history—called for paying almost $9 a barrel for the little-known California producer's known reserves, compared with the $6 a barrel that industry analysts normally figure in transactions of this type.

Yet another oil mining project is taking shape near Santa Rosa, N. Mex. There, James Young, president of American Mining and Exploration Co., has obtained the rights to 11,000 acres of tar sands deposits.

Young says his plan to establish a $25 million oil mining operation at the site is "strictly a private venture, not requiring state or federal money."

Young anticipates the tar sands should yield some 250 million barrels of oil that will be mined and processed with solvents. He expects a recovery factor of "about 95 percent."

He is confident that his oil mining project will prove competitive with oil selling for $18 a barrel, once his plant is in operation.

"It sounds simple, and it is," Young insists. "We're combining oil technology with mining technology. When you stand in the quarry and see a face of rock 30 feet high, with oil bleeding out in the summer sun, you can't deny that there is oil in that rock."

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRADLEY). Without objection, it is so ordered.

Mr. BOREN. Mr. President, I have a question for the Chairman concerning one important yet unclear aspect of the rules that would apply when determining which property will qualify as a high water-cut or stripper property. Specifically, I am interested in clarifying the term "maximum feasible rate." to qualify as a high water-cut or stripper property, the committee bill requires that the property must be operated at the maximum feasible rate of production that is consistent with recognized conservation principles. The committee report indicates that the "maximum feasible rate" is essentially equivalent to the "maximum efficient rate of production." Could the chairman explain the connection between the maximum feasible rate and the maximum efficient rate of production?

Mr. LONG. Mr. President, I am happy to respond to the question from the Senator from Oklahoma. The committee bill requires that to qualify for either stripper or high water-cut status, production must be maintained at the maximum feasible rate of production. By the use of this term, the committee does not intend that production will always have to be maintained at the maximum efficient rate of production. The maximum efficient rate of production is a term that has been interpreted by various regulatory agencies to mean the highest rate of production that can be sustained without damage to the reservoir and which if exceeded would lead to avoidable waste through loss of ultimate oil recovery. Thus, the maximum efficient rate of production is a regulatory term presently used to describe the upper limit of production which should be allowed consistent with sound conservation practices. Thus, in situations where the production from wells is limited by a regulatory body through an allowable or by the producer to the maximum efficient rate, the term maximum feasible rate would be similarly limited.

However, in other situations, it is not possible for wells to be maintained at the maximum efficient rate of production since this rate exceeds the capability of the wells to produce.

In such cases, the maximum feasible rate of production will be the actual rate of production provided that the wells have not been curtailed significantly. Of course, as in all tax situations, the burden of establishing qualification remains on the taxpayer.

There are numerous examples, some of which are contained in DOE Ruling 1975–12, of when the actual rate is the maximum feasible rate. DOE explained in that ruling that with some wells for which the rate of flow into the area of the well-bore is low, it is common and acceptable operating practice to allow the crude oil in the reservoir to accumulate in the area of the well-bore for several days before it is pumped. Though the well is not pumping, it will be considered to be in operation at its maximum feasible rate and no adjustment to the calculation of the average daily production is necessary.

Mr. BOREN. I thank the Chair.

Mr. President, I think that clarifies the matter accurately.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOREN). Without objection, it is so ordered.

BUDGET DEMANDS FOR THE 1980'S: CRITIQUE AND REBUTTAL

Mr. MUSKIE. Mr. President, on Tuesday, I made a statement on the Senate floor which appears in the RECORD at pages 33588 to 33599 for November 27. In my remarks I attempted to set the present debate on the windfall profit tax in the context of the budget demands for the 1980's. After that statement and the colloquies which followed it, a number of Sentors commented on various aspects of that statement. I believe the following is a valid summary of their critiques:

Senator DOMENICI challenged the idea that windfall profit tax revenues should be used to help balance the budget. He argued that they should be given back entirely in tax cuts. He also questioned how budget prospects would look if we had not had control and therefore had no windfall profits to tax.

Senator LONG cited, as a major contribution to meeting budget demands, the large increase in current law revenues that is alleged to come from oil companies under decontrol. He also emphasized the need to cut outlays to balance the budget while pointing to the potential difficulty of doing so.

Senator HATCH pointed to the significant effective tax increases from social security taxes and the effects of the inflation that are occurring and are expected to occur in the next few years. He argued that tax reduction is necessary to increase economic growth. Through this route, he argued that a balanced budget could be achieved.

Senator MCCLURE argued that balancing the budget must be done by reducing the size of Government not by raising windfall profit tax revenues to finance growth in Government.

Unfortunately, I was unable to be present to discuss these points at that time. So I would like to make the following responses now:

First, a number of these comments seem to proceed on the assumption that the revenues projected for the 1980's are somehow adequate—enough to finance the programs already called for by congressional action and to keep up with inflation—without any windfall profit tax.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the table I used in my earlier presentation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BUDGET DEMANDS FOR THE 1980'S

[In billions of dollars; fiscal years]

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Outlays:											
Current law	548	612	666	720	775	835	888	938	992	1,056	1,125
Current policy	553	629	688	749	803	871	925	980	1,036	1,105	1,178
Revenues	516	610	670	722	785	833	907	962	1,047	1,139	1,240
Surplus (+) or deficit (−):											
Current law	−32	−2	+4	+2	+10	−2	+19	+24	+55	+83	+115
Current policy	−36	−19	−18	−27	−18	−38	−18	−18	+11	+34	+62

Note: Current policy and current law outlays have been adjusted to include the congressional commitments to real growth in defense, 1980 energy legislation, House-passed welfare reform nd catastrophic health insurance (Finance Committee). Revenues include those from the Finance Committee's bill for the windfall profit taxs. Detail may not add to total due to rounding.
Source: Senate Budget Committee.

Mr. MUSKIE. Mr. President, this table shows that both windfall profit tax revenues and budgetary restraint will be required in the decade ahead. Let me remind the Senate, Mr. President, that the congressional budget adopted just a few weeks ago—a budget which assumes substantial restraint on spending by the Congress in order to achieve small budget margins in fiscal year 1981 and fiscal year 1982—also assumed windfall profit tax revenues. Indeed, it assumed even greater windfall revenues than in the finance reported bill, despite the fact that the Budget Committee wished to leave ample room for a free and full debate on this important issue.

Next, let me note that the tax cuts included in the projections for the 1980's are significantly larger than the windfall profit tax revenues. It is no one's objective to raise windfall profit tax revenues in order to lock them up or use them only to finance added outlays. Rather, I suggested that windfall profit tax revenues can help to meet the Nunn-Chiles-Bellmon objective of substantial tax cuts and balanced budgets.

In addition, it should be noted that if we had not had the recent OPEC oil price increases—and all of their consequences including decontrol—we would have lower inflation and a stronger economy now and for the next year or so. And we would have no need for the additional spending for energy initiatives and low-income fuel assistance that were built into our projections, with lower inflation and no need for for the energy initiatives outlays would be lower—$5 billion, to $15 billion later in the decade, less for indexed programs and $3 to $6 billion less for energy-related spending. Yes, lower inflation also means lower revenues. But this revenue effect must take into account the fact that OPEC price increases do not provide tax revenues from the oil bill paid to OPEC. When we allow for that, we find that it would be slightly easier to balance the budget without OPEC price increases and decontrol—easier by perhaps $1 or $2 billion per year.

Third, the assertions about higher current law revenues from decontrol must be challenged. It is easy to point to the higher current law revenues to be obtained from the oil companies under decontrol. But there are other considerations: Higher OPEC prices are initially a drain on the economy. While the oil companies have higher taxable profits other firms have less. And consumers have less real earnings to spend. If inflation is to come down, higher oil prices must be offset by lower prices and wages elsewhere in the economy. Thus, higher taxes from oil companies will be offset by lower taxes from the rest of the ecenomy. Of course, we can hope to have higher real growth and tax revenues as we expand domestic energy production but that is the only genuine lasting source of revenue gains.

To those who would say that tax cuts are necessary to spur economic growth, it should be said again that the budget projections for the 1980's include large tax cuts. But tax cuts do not help to balance the budget, by themselves, even after allowing for the growth they induce.

Finally, in regard to holding down spending, I would like to note that Senator LONG's concern with cutting spending is welcome; his recognition of the political difficulty of doing so is shared.

And to those who say that we must curb the growth of Government in order to balance the budget, I would like to say two things: The projections for the 1980's were indeed intended as a challenge to use the windfall profit tax to recycle oil company revenues—to reimburse the consumers who pay the higher prices through tax cuts and public services. But the projections were also intended as a challenge to the Congress to weigh priorities carefully and to control spending diligently.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, for not to exceed 30 minutes, and that Senators may speak therein up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that on November 30, 1979, he had approved and signed the following acts:

S. 411. An act to amend the Natural Gas Pipeline Safety Act of 1968 to provide for the safe operation of pipelines transporting natural gas and liquefied petroleum gas, to provide standards with respect to the siting, construction, and operation of liquefied natural gas facilities, and for other purposes;

S. 1157. An act to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1980, and for other purposes; and

S. 1871. An act to amend the Energy Policy and Conservation Act to extend certain authorities relating to the international energy program, and for other purposes.

MESSAGE FROM THE HOUSE

ENROLLED BILLS SIGNED

At 4:05 p.m., a message from the House of Representatives delivered by Mr. Gregory, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 239. An act to authorize appropriations for programs under the Domestic Volunteer Service Act of 1973, to amend such Act to facilitate the improvement of programs carried out thereunder, and for other purposes;

S. 497. An act to extend for three fiscal years the authorizations of appropriations under section 789 and title XII of the Public Health Service Act relating to emergency medical services, to revise and improve the authorities for assistance under such title XII, to increase the authorizations of appropriations and revise and improve the authorities for assistance under part B of title XI of such Act for sudden infant death syndrome counseling and information projects, and for other purposes;

H.R. 3407. An act to waive the time limitation on the award of certain military decorations to members of the Intelligence and Reconnaissance Platoon of the 394th Infantry Regiment, 99th Infantry Division, for acts of valor performed during the Battle of the Bulge; and

H.R. 5871. An act to authorize the apportionment of funds for the Interstate System, to amend section 103(e)(4) of title 23, United States Code, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore (Mr. (MAGNUSON).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 3, 1979, he presented to the President of the United States the following enrolled bills:

S. 239. An act to authorize appropriations for programs under the Domestic Volunteer Service Act of 1973, to amend such Act to facilitate the improvement of programs carried out thereunder, and for other purposes; and

S. 497. An act to extend for three fiscal years the authorizations of appropriations under section 789 and title XII of the Public Health Service Act relating to emergency medical services, to revise and improve the authorities for assistance under such title XII, to increase the authorizations of appropriations and revise and improve the authorities for assistance under part B of title XI of such Act for sudden infant death syndrome counseling and information projects, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2557. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the positions established in the National Aeronautics and Space Administration as of September 30, 1979; to the Committee on Commerce, Science, and Transportation.

EC–2558. A communication from the President of the United States, transmitting, pursuant to law, a report on the decision on a west-to-east crude oil transportation system; to the Committee on Energy and Natural Resources.

EC–2559. A communication from the Secretary of the Federal Energy Regulatory Commission, transmitting, pursuant to law, opinion and order on rehearing modifying licenses and stay, determinating net investment and severance damages, and otherwise denying rehearing in certain dockets before the Commission; to the Committee on Energy and Natural Resources.

EC–2560. A communication from the Alternate to the Chairman of the United States Water Resources Council, transmitting a draft of proposed legislation to amend the Inland Waterway Authorization Act of 1978 (P.L. 95–502; 92 Stat. 1693); to the Committee on Environment and Public Works.

EC–2561. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for alterations at the U.S. Postal Service Terminal Annex, Dallas, Texas; to the Committee on Environment and Public Works.

EC–2562. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for alterations at the Lakewood, Colorado, Building 25, Denver Federal Center; to the Committee on Environment and Public Works.

EC–2563. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for alterations at the Lakewood, Colorado, Building 67, Denver Federal Center; to the Committee on Environment and Public Works.

EC–2564. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for alterations at the Justice William O. Douglas Federal Building, U.S. Courthouse, 3rd and Chestnut Streets, Yakima, Washington; to the Committee on Environment and Public Works.

EC–2565. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to November 28, 1979; to the Committee on Foreign Relations.

EC–2566. A communication from the Special Assistant to the President for Administration, transmitting, pursuant to law, an aggregate report on personnel employed in the White House Office, the Executive Residence at the White House, the Office of the Vice President, the Domestic Policy Staff, and the Office of Administration for fiscal year 1979; to the Committee on Governmental Affairs.

EC–2567. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a proposed new system of records for the Defense Mapping Agency, for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–2568. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a proposed new system of records for the Department of the Army, for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–2569. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a proposed new system of records for the Department of the Army, for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–2570. A communication from the Chief of the Procurement and Property Branch, Administrative Services Division, Community Services Administration, transmitting, pursuant to law, a report on the disposal of foreign excess property for fiscal year 1979; to the Committee on Governmental Affairs.

HOUSE BILL PLACED ON CALENDAR

Pursuant to section 402(b)(2) of the Congressional Budget Act, the Committee on Appropriations was discharged from the further consideration of H.R. 1543, an act to improve the operations of the adjustment assistance programs for workers and firms under the Trade Act of 1974, and the bill was placed on the calendar.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself, Mr. THURMOND, Mr. TALMADGE, Mr. NUNN, Mr. MORGAN, Mr. BAKER, Mr. STEVENS, Mr. HEFLIN, Mr. HARRY F. BYRD, JR., Mr. FORD, Mrs. KASSEBAUM, Mr. STONE, Mr. HATCH, Mr. CHILES, Mr. JAVITS, Mr. STEWART, Mr. PRESSLER, Mr. WALLOP, and Mr. BRADLEY):

S.J. Res. 122. Joint resolution proclaiming the week of December 3 through December 9, 1979, as "Scouting Recognition Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself, Mr. THURMOND, Mr. TALMADGE, Mr. NUNN, Mr. MORGAN, Mr. BAKER, Mr. STEVENS, Mr. HEFLIN, Mr. HARRY F. BYRD, JR., Mr. FORD, Mrs. KASSEBAUM, Mr. STONE, Mr. HATCH, Mr. CHILES, Mr. JAVITS, Mr. STEWART, Mr. PRESSLER, Mr. WALLOP, and Mr. BRADLEY):

S.J. Res. 122. Joint resolution proclaiming the week of December 3 through December 9, 1979, as "Scouting Recognition Week"; to the Committee on the Judiciary.

SCOUTING RECOGNITION WEEK

Mr. HOLLINGS. Mr. President, I am introducing a joint resolution calling attention to "Scouting Recognition Week" on behalf of myself, Mr. THURMOND, Mr. TALMADGE, Mr. NUNN, Mr. MORGAN, Mr. BAKER, Mr. STEVENS, Mr. HEFLIN, Mr. HARRY F. BYRD, JR., Mr. FORD, Mrs. KASSEBAUM, Mr. STONE, Mr. HATCH, Mr. CHILES, Mr. JAVITS, Mr. STEWART, and Mr. PRESSLER. I should be glad to add Mr. WALLOP and Mr. BRADLEY.

Mr. WALLOP. By all means.

Mr. BRADLEY. I hope the Senator will.

Mr. HOLLINGS. I thank the distinguished Senators.

Mr. President, one of the fondest memories I have from my childhood is my membership in the Boy Scouts of America. There is hardly anyone who is not familiar with the outstanding work of this organization and the many contributions that scouting has provided in leadership training and other areas for the young men and women of our Nation. Without recounting this organization's long list of achievements, I will only say that the contribution has been very significant and we are all greatly indebted for it.

Today, I am pleased to introduce a joint resolution to honor scouting by designating the week of December 3–9, 1979 as "Scouting Recognition Week." This period is appropriate, since it coincides with the 55th annual calendar week of the Boy Scouts. Scouting is a time-honored tradition in the United States and a very worthwhile endeavor to the many boys and girls who participate. Scouting has made many contributions to the social fabric of America. I urge the Senate to join with me and my colleagues cosponsoring this resolution in calling attention to "Scouting Recognition Week" and in doing so promoting the scouting movement in America.

Mr. HOLLINGS. I thank the distinguished Senator from New Jersey and the distinguished Senator from Wyoming.

Mr. WALLOP. I take it the Senator did add our names as cosponsors.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the names of the Senators from Wyoming and New Jersey, Mr. WALLOP and Mr. BRADLEY, be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS

S. 1862

At the request of Mr. MCCLURE, the Senator from Missouri (Mr. EAGLETON) and the Senator from Nebraska (Mr. EXON) were added as cosponsors of S. 1862, a bill to improve the administration of Federal firearms laws, and for other purposes.

SENATE RESOLUTION 298—SUBMISSION OF A RESOLUTION INCORPORATING CERTAIN STUDIES INTO GEORGES BANK OIL LEASE OPERATIONS

Mr. WEICKER submitted the following resolution, which was referred to the Committee on Energy and Natural Resources:

S. RES. 298

Whereas, a 20,000 square mile portion of the continental shelf known as Georges

Bank is one of the world's richest fishing grounds;

Whereas, the fisheries of Georges Bank provide 17 percent of all fish caught, sold, and consumed in the United States and have supported a continuous fishing industry for over 350 years;

Whereas, the Secretary of the Interior, hereinafter referred to as the Secretary, has scheduled Lease Sale No. 42, offering 116 tracts on Georges Bank for oil and gas development on December 18, 1979;

Whereas, the Ixtox No. 1 well blowout and oil spill in the Mexican Bay of Campeche indicates that oil development on the continental shelf must be undertaken cautiously with stringent safeguards for the environment;

Whereas, it is recognized that there is a need to broaden the scope of the National Oil and Hazardous Substances Pollution Contingency Plan (40 CFR 1510), hereinafter referrred to as the Plan, and the proposed revisions to the Plan have yet to be promulgated;

Whereas, the Commonwealth of Massachusetts specifically petitioned the Council on Environmental Quality to revise the Plan;

Whereas, in compliance with report requirements of the Plan, the Coast Guard is preparing an interim report on the Ixtoc No. 1 spill for the period June 3, 1979 to November 1, 1979;

Whereas, during the floor debate on the fiscal year 1980 Department of Transportation Appropriations bill, H.R. 4440, the Senate requested the Department, with the assistance of the Coast Guard, to report to the Congress within 90 days the progress on implementation of the Coast Guard recommendations contained in "A Plan for Implementing Presidential Initiatives Concerning Oil Pollution Response";

Whereas, the purpose of the Outer Continental Shelf Lands Act Amendments of 1978 (PL 95-372) hereinafter referred to as the "Act" is to ". . . minimize or eliminate, conflicts between the exploration, development, and production of oil and natural gas, and the recovery of other resources such as fish and shellfish;"

Whereas, evaluation and assessment of factors surrounding the Campeche spill impact Sec. 208, 21(b) of the Act which requires ". . . on all new drilling and production operations and, wherever practicable, on existing operations, the use of the best available and safest technologies . . . wherever failure of equipment would have a significant effect on safety, health, or the environment. . . ."

Be it resolved, therefore, that:

By January 30, 1980, the Congress is in receipt of the Coast Guard's interim report on the Ixtoc No. 1 blowout and spill;

By March 31, 1980, the Secretary of the Interior delivers the above report as well as that report requested by the Senate during debate of H.R. 4440 to all lessees of Sale No. 42 as well as other federal, state and local governments or agencies and industries involved in procedures leading up to the sale; and

The Secretary of the Interior, in keeping with requirements of the Act ensure that the Department and lessees incorporate results of these reports and the revised National Oil and Hazardous Substances Pollution Contingency Plan into their operations.

● Mr. WEICKER. Mr. President, on December 18, 1979, the Secretary of the Interior has scheduled lease sale No. 42 offering 116 tracts, comprising over 700,000 acres of the Georges Bank for oil exploration and development. Georges Bank is one of the world's richest fishing areas and supplies this country with 17 percent of its seafood.

Georges Bank lies off the coast of New England and is washed by a system of strong currents and generally heavy seas. Its abundant marine life enlarges its susceptibility to pollutants. Our understanding of how the physical and biological components of the Bank's ecosystem and its response to human induced stress is minimal.

On November 1, 1979, I addressed the floor concerning the Mexican oil spill in the Bay of Campeche. I expressed concern then over the impact that spill would have on the marine ecosystem as well as the ability of the Coast Guard and the rest of the Federal Government to deal effectively with future oil spills in the Gulf and elsewhere.

My concern persisted, and on November 28, 1979, I offered an amendment to the windfall profit bill to provide funds to the national response team to improve their capability to deal with spills in unprotected waters. We do not need a Campeche experience in Georges Bank.

Events of the past few weeks in the Middle East make clear this Nation needs to reduce it dependence on foregin oil. The search for new sources focuses on the Outer Continental Shelf.

Certainly we need feed and fuel and I believe it is possible to develop our Continental Shelf oil resources in an environmentally compatible manner, particularly if Government and industry apply to future operations the experience of the past.

Mr. President, it is in this spirit that I propose this resolution before you as a clear message to the Secretary of the Interior that the Senate wants lessons learned at the Campeche Bay oil spill incorporated into OCS lease No. 42 activities and all subsequent OCS leases. I believe this to be possible if:

By March 31, 1980, the Secretary of the Interior delivers the above report as well as that report requested by the Senate during debate of H.R. 4440 to all lessees of sale No. 42 as well as other Federal, State, and local governments or agencies and industries involved in procedures leading up to the sale; and

The Secretary of the Interior, in keeping with requirements of the Outer Continental Shelf Lands Act Amendments of 1978 (Public Law 95-372) insure that the Department and lessees incorporate results of these reports and the revised national oil and hazardous substances pollution contingency plan into their operations.

There is no doubt in my mind that offshore oil production should take place. I am keenly aware of the great need my native State of Connecticut and New England in general has for new energy development. With the proper safeguards on Georges Bank, exploration and production should go ahead. This Nation faces difficult times. It must face many conflicts between energy development, food, air, and water.

This resolution before you does not call for stoppage of the lease sale on Georges Bank nor elsewhere. Rather, it is an attempt to insure that past experience and new knowledge is applied to future OCS petroleum production for the benefit of all.●

AMENDMENTS SUBMITTED FOR PRINTING

DISABILITY INSURANCE AMENDMENTS OF 1979—H.R. 3236

AMENDMENT NO. 731

(Ordered to be printed and to lie on the table.)

Mr. PERCY (for himself, Mr. CRANSTON, Mr. ARMSTRONG, Mr. BURDICK, Mr. HARRY F. BYRD, JR., Mr. CANNON, Mr. FORD, Mr. GARN, Mr. HATCH, Mr. HATFIELD, Mr. HAYAKAWA, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. LAXALT, Mr. MATSUNAGA, Mr. NUNN, Mr. RANDOLPH, Mr. ROTH, Mr. SCHWEIKER, Mr. THURMOND, Mr. YOUNG, and Mr. ZORINSKY) submitted an amendment intended to be proposed by them, jointly, to H.R. 3236, an act to amend title II of the Social Security Act to provide better work incentives and improved accountability in the disability insurance program, and for other purposes.

AUTHORITY FOR COMMITTEES TO MEET

PARKS, RECREATION, AND RENEWABLE RESOURCES SUBCOMMITTEE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Parks, Recreation, and Renewable Resources Subcommittee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate today beginning at 2 p.m. to hold a hearing on the Montana wilderness—Rattlesnake Roadless Area in Montana.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROCUREMENT POLICY AND REPROGRAMING SUBCOMMITTEE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Procurement Policy and Reprograming Subcommittee of the Committee on Armed Services be deemed to have been authorized retroactively to meet during the session of the Senate on Friday, November 30, 1979, to hold a hearing on the civil reserve air fleet.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be deemed to have been authorized retroactively to meet during the session of the Senate on Friday, November 30, 1979, to hold an executive session on Iran.

The PRESIDING OFFICER (Mr. LEVIN). Without objection, it is so ordered.

SUBCOMMITTEE ON PRIVATE PENSION PLANS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Private Pension Plans of the Committee on Finance be authorized to meet during the sessions of the Senate on Tuesday and Wednesday, December 4 and 5, 1979, to hold hearings on various pension bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COURT OF APPEALS DECISION IN TREATY TERMINATION CASE

● Mr. GOLDWATER. Mr. President, I rise to briefly address the decision announced by the court of appeals on Friday reversing the earlier ruling by district court Judge Gasch.

I think it is important to note that the broad point reached by the court, relative to Presidential authority, is supported by only four members of the 10 judge court. There are 10 members of the U.S. Court of Appeals for the District of Columbia. Two of those judges removed themselves from any deliberation in the case. One other judge died before the decision was made. Only four of the seven remaining judges supported the idea of Presidential power to terminate treaties.

Next, I must comment that the four judge, majority opinion is a very weak one, which indicates that the court charged ahead with the single-minded determination to uphold the President based on political expediency.

In effect, the court says that the President found it politically expedient to derecognize Taiwan and there is nothing else that matters.

Well, Mr. President, I say that the Constitution matters.

I say the opinion by the court of appeals is in violent conflict with the views of the Founding Fathers.

It is in sharp disagreement with the predominant weight of historical precedents.

It even is in conflict with the clear legislative history of the Mutual Defense Treaty with Taiwan itself, which proves that legislative concurrence is necessary for its termination.

But, the most important thing, Mr. President, is that the four judge opinion supports rule by decree, not rule by law. It support rule by an emperor, not Government by a system of divided and checked powers.

The court of appeals uses the general language of article II, section one, of the Constitution, as a basis for finding the existence of a broad power of the President to abrogate treaties generally. This provision states:

> The executive power shall be vested in a President of the United States of America.

The court then makes an unprecedented act of judicial construction by transforming the sparse enumeration of executive powers in article II into an absolute power of treaty termination which the framers unmistakably omitted from the text.

This kind of judicial acrobatics is clearly in conflict with the famous decision of the Supreme Court in Youngstown Sheet and Tube Co., which overturned President Truman's effort to seize the Nation's steel mills during the Korean war. Justice Black, writing for the Court in that case, said that the President's powers cannot be implied from section one of article II or even from the aggregate of his enumerated powers.

Justice Black said, and I quote:

> In the framework of our Constitution, the President's power to see that the laws are faithfully executed refutes the idea that he is to be a lawmaker. 343 U.S. 587 (1952).

Justice Jackson agreed, writing:

> I cannot accept the view that this clause is a grant in bulk of all conceivable executive power, but regard it as an allocation to the Presidential office of the generic powers thereafter stated. 343 U.S. 641.

Justice Jackson also attacked the notion, adopted in the court of appeals opinion, that there is an implied power in the President based on expediency. He said that the President's plea is really "for a power to deal with a crisis or an emergency according to the necessities of the case, the unarticulated assumption being that necessity knows no law." 343 U.S. 646.

The Taiwan case presents again the choice between a claim of inherent powers in the President, unchecked unless a specific restraint be found in the Constitution, and a concept of checks and balances among the three branches of Government, which is a general restraint upon all powers of the Executive.

Mr. President, there is another aspect to the case which I should mention and that is that not one of the seven judges who decided the case believed that it should be ducked on the basis of the political question doctrine. Five of the seven judges held that I and the other Members of Congress who initiated the suit had standing. This itself is a major victory for the right of individual Members of the Senate or House to vindicate their functions as legislators, and to uphold the powers of the Senate or House as institutions.

Mr. President, I can announce that my lawyers have already completed the petition for review of the case by the Supreme Court; it is at this moment in the hands of the printer; and by this afternoon it will be filed with the Supreme Court. The Court is meeting this Friday on the very subject of cases which it will take on review, and I am hopeful this will be one of them.●

THE CONCERNS OF ELDERLY IOWANS

● Mr. CULVER. Mr. President, I would like to share with my colleagues an article from the November 26 Wall Street Journal relating how a group of older Iowans feel about the difficulties and rewards of growing older in our society.

The basis of this article was a candid discussion with 13 residents of Davenport, Iowa, ranging from age 56 to 74. It afforded them an opportunity to reflect on their lives and the conditions around them—and it affords us the opportunity to benefit from their observations.

Inflation understandably ranks as their foremost concern, as it diminishes the buying power of their pensions and retirement benefits, erodes the value of their savings, and dispells any sense of financial security. It is dangerously wrong to assume that retired persons are protected from the rising cost of inflation simply because social security benefits are indexed to increases in the Consumer Price Index. Many pensions and other sources of retirement income are not adjusted for rising prices. And the serious inflation of the seventies has been especially unfair for senior citizens because the costs of basic necessities—such as food, fuel and medical care, on which they spend most of their income—have risen faster than the overall inflation rate and their social security benefits.

But this group of Iowans did not confine their observations to the problems and worries associated with growing older today. I was pleased to note that many of them mentioned several favorable aspects of retirement. And all expressed a genuine appreciation for social security and medicare.

Mr. President, I invite my colleagues to benefit from this very informative article, and I ask that it be printed in the RECORD.

The article follows:

INFLATION IS A WORRY, BUT OLDER PEOPLE FEEL LUCKIER THAN PARENTS

(By Lawrence Rout)

DAVENPORT, IOWA.—For Marion "Bud" Pietz, a 66-year-old retired service-station owner, growing old here in Middle America is fraught with hardships.

"My income is being eaten by inflation," says Mr. Pietz whose youthful looks belie the two heart attacks he has suffered. "My dollar just doesn't go as far."

Still, Mr. Pietz admits, "I'm enjoying life; I do all the things I've always wanted to do." That's something, he says, "that I never heard my parents say."

That same mixture of pessimism and optimism, of bitterness and gratitude, surfaces repeatedly here in a free-flowing panel discussion with a group of older men and women. Ask them about growing old, and without exception they rail against the problems that confront them and millions of older people all over this country. But ask them to take a closer and more personal look at their lives, and the bitterness fades into memories of their parents' more-troubled times.

Arranged for The Wall Street Journal by Washington pollster William R. Hamilton, the 2½-hour discussion involves 13 men and women, ranging in age from 56 to 74. They talk about health and security, rejection and death. They reflect on the past, talk candidly about the present and peer hesitantly into the future.

Their views aren't meant to be taken as a scientific polling. But all 13 people are growing old in America's heartland. They all come from Davenport, an industrial city along the Mississippi River. And they all have a lot to say about growing old in America today, as well as the aging of America itself.

Listen to Adeline McDermott, a 70-year-old former Chicago resident, tick off the troubles plaguing today's elderly: "Health, more crime, and more immorality all over society. And the greatest problem—inflation."

Indeed, most of the complaints among the elderly do concern soaring prices and the squeeze this puts on their incomes. Although Social Security payments rise along with the consumer price index, older people contend that the things that they spend most of their money on—health, food, fuel and shelter—have gone up faster than the price index. Moreover most corporate pensions don't rise at all with prices.

"UNFAIR" BURDEN

"The inflation problem has reached crisis proportions," the American Association of Retired Persons warns, "and the elderly are unfairly bearing an excessive share of the inflation losses."

For Viola Felderman, a 68-year-old former Californian who moved to Davenport eight years ago, that rings true. "Prices are the big problem today," the bespectacled and ever-smiling Mrs. Felderman says. "I can't get used to the food prices I pay, and now with my medical bills, it makes it kind of rough on us."

Mrs. Felderman and her husband live on their monthly Social Security checks, which total less than $500. It isn't enough, and she says that they are dipping into their savings to the tune of about $200 a month. "My savings are just about gone," she says, her voice cracking. "I don't know what I'm going to do when it's gone. As it is, I wear the same old clothes, don't buy anything or do too much."

Mrs. Felderman says that she has tried to get a part-time job, but "the minute I write down my age, I'm through. You just can't get a job at this age."

SOME EXTRA INCOME

Murl James, a burly 62-year-old retired truck driver, is luckier: He has been able to pick up some cash fixing house trailers to supplement the $300 a month he gets from Social Security and a $400-a-month pension from his former employer. But, he says, when he pays his rent of $250 a month, "that income cuts back in a hurry." As a result, the shy Mr. James says that he and his wife "pretty much have a schedule of what we buy, and we've stopped going to restaurants altogether."

The six-foot, two-inch 250-pound Mr. James doesn't worry, however, about one thing that plagues Pauline Lee, a 65-year-old retired schoolteacher. That's crime.

Miss Lee, a sad-eyed woman who speaks in a hushed voice, is single and lives with a woman friend. "I don't go out at night too often because I don't like the crime situation," she says. "It used to be 15 years ago I remember getting in my car at nine at night and I wouldn't think about it. I'd drive over to East Moline to a little place that served tacos and I'd go in by myself. But today I wouldn't do it."

All of that is rather depressing for Esther Ginsberg, 71 years old and twice widowed. Her voice quivering, Mrs. Ginsberg wonders aloud whether the increased crime "has something to do with people not being as friendly and sociable as they used to be years back."

But Hollis "Mac" McCleave, the most bitter and most vocal member of the group, blames today's youth. "I was raised during the Depression," the large, 64-year-old retired fire captain says, "and there was a different breed of youngster in that day. He had nothing to begin with; he didn't have a nickel for a bag of Bull Durham to roll cigarets, and he treated his elders with more respect."

But no longer, Mr. McCleave says, his big tattooed arms flailing away as he makes his point. "Today I'm next door to a high school that has almost 5,000 students, and they're a bunch of maniacs. They've got almost 1,000 cars over there, and they all come in Mustangs without mufflers. They disregard all speed laws, and they drive through where I live."

While the group nods in agreement, many are quick to qualify their condemnation. "You get those kids separate from each other, and they're great kids," says Herbert Laake, a thoughtful 56-year-old warehouse worker. The problem, he says, is "that they've got jobs, they've got money, they've got wheels, and they can move around." It's easier, he says, for today's kids to get in trouble.

MORE SELFISHNESS

The jobs, the money and the mobility have also made the youths, and their parents, more selfish, according to George Mennig, a 74-year-old retired building manager. Mr. Mennig, who uses a cane to walk and has a pronounced stoop, says that the "people today—they just haven't got the time. I go to nursing homes, and you hardly ever see a visitor. It's a lack of concern. The story is, 'I haven't got the time.' Or, 'I don't like to see someone in that condition.' But even their closest friends don't come to see them. Families don't either."

Mr. Mennig worries that "If we had another depression, the attitude of the people today would be vicious." He recalls that during the Great Depression, "the neighborhood grocers had a little money in the cushion, and they gave people credit." But, he asks, "Where can you go in a grocery store in Davenport today and get credit?"

Still, remembering the economic hardships of the 1930s doesn't trigger too many nostalgic yearnings in the group members. Despite today's crime, self-centeredness and high prices, just about all of them agree that things are a lot rosier now for the elderly than in the past.

PRAISE FOR SOCIAL SECURITY

"We talk about we don't have it as good, but damn it, anybody who is 65 or 70 years old can't make that statement," says Grover Miller, a retired manager of a credit union. Mr. Grover, who looks younger than his 69 years, says, "Our parents just didn't have the opportunities that we have. They would have never lived like we do. My God, I wish my dad and mother were here so that they could have gotten Social Security."

Mr. Mennig agrees. "Back in those days the word retirement really wasn't part of our vocabulary. Everybody just worked and worked and worked until Social Security came into the act."

Even the irascible Mr. McCleave admits, "It used to be very simple—you punched a time clock or you didn't get paid." People never planned for retirement back then, "they just planned to keep working until they got laid off." Today, he says, "the government does the planning for you."

Indeed, all members of the group are quick to praise Social Security and Medicare. The payments may not be as much as they feel they need, but at least the money provides them with the chance to retire and continue living. Even Mrs. Felderman, who has almost exhausted her savings, says she couldn't live as well as she does if she had been elderly in the past. "If we didn't have Social Security," she says, "I'd be on the poor farm."

SURGERY BILL COVERED

Mr. Miller, the balding former credit union manager, recalls his heart-bypass surgery two years ago. The total bill for the surgery and hospitalization came to $17,000, Mr. Miller says, "and I didn't pay up a damn dime." Medicare and Mr. Miller's former employer picked up the tab.

Health problems aside, most of the group are enjoying retirement. "I think there's an art to this retirement," says good-humored Howard Burkhart, who retired six months ago as a steamfitter at the age of 64. "I was never a howling success at anything in my life until retirement. I watch ball games in the afternoon, I walk 3½ miles a day, and I sit. I love it."

Not everybody is enamored of retirement, however. Miss Lee retired this year as a schoolteacher because she was tired of "punching a clock." "When you quit all of a sudden, there's something that's all missing," she says. "I get up some mornings and there's nothing to look forward to."

That's the way Mr. Laake felt when he retired in 1977 after 35 years as a mailman. "After I sat there for a month and a half, I said to my wife, 'God, I hate soap operas. I'm going out to get a job.' Now I work 40 hours a week at the warehouse, and I love it."

There is one thing that all members of the group face—in common with their parents and with the generations of elderly before them.

"I'm ready to take death anytime," says the diminutive Mrs. McDermott. "I don't think about it so that I get depressed, but I do hope that when I go, I go all at once and not linger."

Mr. McCleave agrees. "You get fatalistic about it; anybody over 60 knows that it's inevitable and close, and you just hope you can do it without too much pain."

That fatalism can even make life more enjoyable for some. "At this age, you're a little more willing to let things happen instead of trying to make them happen," Mr. Burkhart says. "I think this is one of the beauties today. There are some fine things about this age." ●

LET US TAKE RESPONSIBILITY FOR DEALING WITH TAXFLATION

● Mr. DOLE. Mr. President, when we talk about inflation and taxes, we should pay attention to those features of the tax structure that are most seriously affected by inflation. For example, inflation is relatively neutral with respect to a flat rate tax; but, with progressive tax rates, inflation can have a dramatic effect. Given a progressive tax structure, the higher the basic tax rate, the greater the impact of inflation. This is because inflation pushes people into higher rate brackets; and the higher the rate, the more inflation will cost in increased taxes.

The U.S. income tax, of course, is highly progressive and has comparatively high rates. But a number of States also impose significant income tax burdens on those taxes. Over one-half of the States that impose an income tax have a highly or moderately progressive tax and rely to a significant extent on the revenues from that tax. That is why the inflation tax penalty—taxflation—is an important issue at the State level as well as the Federal level.

Mr. President, the difference is that a number of the States have responded to this problem. Of the States with significant progressive income tax, four—Colorado, California, Minnesota, and Wisconsin—have indexed their income tax for inflation. In other words, these States have provided for automatic adjustments in the tax structure to compensate for the distortions caused by inflation. In addition, Arizona—which has a moderately progressive income tax—and Iowa—which relies significantly on its income tax—have indexed their income taxes for inflation.

This is an important political fact because it demonstrates the public concern over the effect of inflation on taxes, and because it shows that some of our political leaders are willing to come to grips with this issue. Taxflation is an issue that must be faced, and it is a problem that can be solved so long as we have the will to do so. We in Congress have not shown that kind of resolve, although we have not lacked opportunities. Bills to index the Federal income tax have been introduced before. The Senator from Kansas introduced one last year. Unfortunately, the Congress has not seen fit to act on these proposals.

Mr. President, I have introduced leg-

islation again this year that would index the income tax for inflation. The bill is the Tax Equalization Act, S. 12. Each year it would adjust the income tax brackets, personal exemption, and zero bracket amount according to the rise in the Consumer Price Index for the previous fiscal year. Income tax rates would be stabilized, but Congress could always act to change them. Taxes would not rise automatically, as they now do in periods of inflation.

Mr. President, if State legislatures can take the responsibility for dealing with this problem, so can the U.S. Congress. The way to proceed is clear, and the public is increasingly aware of the failure of Congress to deal with taxflation. The time to act is now, and I urge the passage of the Tax Equalization Act.●

STATE OF ISRAEL HONORS BRUCE G. SUNDLUN

● Mr. PELL. Mr. President, last week in Rhode Island, one of my State's most distinguished citizens, Bruce G. Sundlun, was honored by the State of Israel which awarded him its Prime Minister's Medal, that nation's highest public service award.

Bruce Sundlun has had a singularly exciting and full life. He was shot down as an American pilot in World War II and spent many months in occupied France behind the German lines. He stayed active in the Air Force Reserve until he retired as a colonel. Then, as a practicing lawyer, a director of Comsat, and chief executive officer of Executive Jet, he made his mark in our American business community.

A huge throng of his friends and admirers crowded one of Rhode Island's largest banquet rooms to join in paying tribute to Mr. Sundlun, presently the president and chief executive officer of the Outlet Co. and a civic leader of virtually unparalleled achievement.

Mr. President, I was particularly struck with the eloquent and moving response which Bruce Sundlun, who is widely known and admired by my colleagues in this body, made to the award from the State of Israel. I am sure that my colleagues will be equally moved by his stirring remarks and I ask that they be printed in the RECORD.

The remarks follow:

REMARKS OF BRUCE G. SUNDLUN

Colonel Eini, I thank you for the Prime Minister's Medal which I shall wear with pride and appreciation. And, Colonel, I am particularly glad that you as the Israeli Air Attache were here to present the medal to me, because I relate closely to the Air Force—especially the United States Air Force—and my associations with the State of Israel have been directly concerned with its military forces and with Israeli Aircraft Industries, your country's largest company.

Back in 1948, when the State of Israel was proclaimed, I was a student at the United States Air Force Command and Staff School at Maxwell Field, Alabama. I persuaded the faculty there to assign as a class project the preparation of a defense plan for the new state It was an intriguing military and academic project—designing a defense plan for a country that had not existed until the week before, that had no regular army, navy, or air force, no military history, no allies, only enemies; a population largely composed of immigrants from other continents, and that had no agreement on what form of government should exist, let alone who should run it.

Because of the prevailing fair weather in the Middle East, because of the distances over essentially open terrain that any attacker had to cross, because of the technological skill of the largely European-born population, coupled with the lack of any large manpower pool and the high value placed on an individual life, it was dictated that Israel's defense plan be based upon aircraft and armor. That plan was delivered to the Israelis and I have observed with interest since that many of its specifics were implemented, perhaps even followed.

When I finished the Air Command and Staff School, the new state was seeking planes and pilots, and I volunteered to go. But as anyone who knew my father well can testify, he was a strong personality. We had our loyalties to each other, but we had our differences too. To this day, one of my real regrets is that I let him talk me out of going to Israel to fly in the 1948 war, and instead I stayed in Rhode Island to assist him in his 1948 primary campaign for the United States Senate, Rhode Island's first primary election. He lost.

I did arrange for planes and pilots to go to Israel in 1948, but my conscience still tells me I should have gone myself.

Perhaps one of the principle reasons we are all here tonight is because I did not go. Maybe I am trying to compensate with dollars what I did not contribute in time and professional skill. I am most grateful to all of you, business and personal friends, who purchased bonds for tonight's dinner.

The Providence Journal quoted someone as saying that it was "nice" that I had "lent my name" to this fundraising evening. I want to disavow that statement because it is presumptuous. I have no name to lend but I, like everyone else in this room, have causes in which I believe and time and energies which I am willing to give to those causes. Supporting the continued existence of the State of Israel is a belief that I hold hard, and I know exactly why.

But if a name from the Jewish Community in Rhode Island were to be honored, the name to be nominated might far more appropriately be Hahn, Mr. Justice Jerome; or Silverman, Archibald or Ida; or Joslin, Judge Philip C.; or Smith, Joseph; or Boyman, Berger, Sopkin, Fain, Irving Jay; Grant, Darman, or Hassenfeld, or even Sundlun—but Walter I. Those men were giants of the past who with no precedent to guide them, contributed a fervor for results which produced orphanages, hospitals, schools, temples—practically every institution existing in the Rhode Island Jewish community today. They were personification of the historic tradition in this state, which commenced with the Touro Synagogue in Newport, the oldest Jewish place of worship in America.

But that tradition is not for the past alone; it is well carried over today by contemporaries like Licht, Governor Frank; Joslin again—Mr. Justice Alfred this time; Sapinsley, Milton, John and Senator Lila; Alperin, Fain, Norman; Ress, Riesman, Robbins, Grossman, Smith, Morton; and Holland. To those names belong the praise for day-by-day, month-by-month, year-by-year work within the community—not to me who was born here, left at age 17 and really returned only three years ago, and whose contributions to Jewish life here or elsewhere have been, at best, minimal.

Besides, at least I think I am much too young to be the honoree of a dinner. Last week in Washington, I went to a dinner honoring Averell Harriman on his 88th birthday. His remarks that night evidenced not only his vast experience, but more important, the usefulness and timeliness of that experience when applied to the problems of today. I can make no such contribution tonight.

Why then, am I here tonight? Two reasons: First, because the creation of the State of Israel is the most conspicious and successful forward step that democracy as an institution has taken since Fascism was defeated in World War II. Here is a land that once again took people from all over the world and built a democratic country controlled by free elections. As a Jew I am proud of Israel, but if it were a Protestant, Catholic, Muslim, or Hindu state populated by white, black, yellow, brown, or red people, I would still be admiring of another country that could create and continue through troubled times a democratic government of laws and not of men. It is because of that universal appeal of democracy that Israel has earned the support tonight and other nights of Jews and non-Jews, blacks, and whites, Republican and Democrats, and even an Egyptian Ambassador.

My second reason is because I firmly believe that the existence of the State of Israel since 1948 has made life for my family, for Jews in America, and for Jews in every other nation on earth, more dignified, and more respected than before the state came into existence. Before the state, Jews were too-often characterized as frail people who would flee rather than fight. Nowhere in the world did they share the respect which all societies and all countries give to the farmer and to the soldier. The world has always given honor and respect to the man who tills the soil and to the man who fights for his country, his family, and himself.

The creation of the State of Israel and its history of turning the Negev desert into greenery, of planting and growing forests out of rock—and one of those forests is named for Senator Pell's father—and most important, their military victories in the war for survival in 1948, and other wars since, plus the great rescue mission at Entebbe, has given the Jew self-pride in a military tradition equal to any other people on earth.

With that pride in self given by the Israeli example in agriculture and war, I truly do not believe there could ever be another Holocaust where Jews went docilely to their deaths, nor do I believe there can be another ghetto or pogrom. The Jew in America has learned to stand tall with a more quiet assurance of his worth, and it is calluses on the hands of the Kibutzim and the casualties on the Golon Heights that have given him that new found assurance. It is because of what the State of Israel and the Israelis have given to me and to mine that makes me willing to do whatever I can to give something back to them.●

EUROPE AND SALT

● Mr. GOLDWATER. Mr. President, for month after month we have been told by the Joint Chiefs of Staff, by the State Department, by the President, and by everyone doing his best to force the SALT II treaty on this country, that the NATO countries would be very upset if we failed to pass this treaty. Writing in Aviation Week and Space Technology of November 26, Mr. William Gregory has pretty much thrown the lie at these statements. He quotes Gen. Pierre Gallois, retired from the French Air Force, on this subject, and the conclusion that is reached by the general is that the rejection of SALT II would comfort American allies. So that my colleagues and those who read the RECORD might have a chance to get the true story of the NATO position. I ask that this editorial be printed in the RECORD.

The editorial follows:

EUROPE AND SALT

Western European nations—North Atlantic Treaty Organization alliance nations—have been getting a sales message from the Carter Administration to support the SALT II Treaty. Defense Secretary Harold Brown had begun to develop the Administration line at a NATO meeting last May that a Senate rejection of the treaty would endanger the cohesiveness of the alliance.

Political leaders in Western Europe have since echoed the Administration theme. (AW&ST Oct. 22 p. 18). There is some reason, though, to take these endorsements of SALT with a grain of the same.

As Gen. Pierre Gallois puts it: "Do not be mislead by the official positions expressed by the European governments. Already the military superiority of the Soviets has a diplomatic consequence and Western European nations prefer to compromise with such a might." Gen. Gallois, retired from the French air force, was one of the architects of the French independent nuclear strike force—force de frappe.

He questions the usefulness of SALT to Europe when, in fact, the reverse may be true. "It is a position of potential superiority of the Soviet Union which is endangering the cohesiveness of NATO," Gen. Gallois contends. "NATO nations know that SALT 2 is not concerned with the weapons which are capable of destroying Western Europe, such as the Backfire bomber and the SS-20 ballistic missile."

While the U.S. is offering to base longer-range Pershing 2 ballistic missiles in Europe to counter the Soviet SS-20 buildup, Gen. Gallois points out that at the same time the U.S. is talking about withdrawing some of its forward based nuclear weapons, almost as if by agreement with the Soviet as part of the deal for their signatures on the arms control treaty. Such proposals take Europeans for imbeciles, he says.

DISGUISED RETREAT

How the spectacle of U.S. bargaining with the Soviets must look to Western Europe is a pertinent question. To the Europeans, the U.S. agreement with the Soviets must indeed have overtones of a disguised retreat, leaving Europe to face the SS-20 with promises—Pershing 2 and the ground-launched cruise missile, if the latter is not eliminated again in subsequent U.S.-Soviet bargaining.

To some Europeans, such as Gen. Gallois, the entire SALT history has the aura of U.S. preoccupation with an academic vision of Armageddon while ignoring the threat at hand—burgeoning Warsaw Pact forces at Europe's doorstep backed by Soviet medium-range nuclear weapon systems. Reflecting a European view, Gen. Gallois contends a Soviet nuclear first strike at the U.S. is no more likely than a U.S. first strike at the Soviet Union, with or without SALT. "As before SALT I," Gen. Gallois says, "America is still a country having the privilege of nuclear immunity. Some 80 percent of American strategic warheads may be in permanent or semi-permanent mobility is such a way that their simultaneous destruction is not feasible. Whatever the size of their ballistic inventory, the Russians could not now attack the land of America without risking incredible destruction."

That destructive potential is fine for protecting the American homeland. It does not necessarily apply to U.S. interests overseas where numbers of forces, not sophistication, impress other nations. A case at hand is the U.S. humiliation in Iran.

Touching on the question of numbers, Gen. Gallois comments: "Should America accept a position of numerical inferiority in modern parliaments, her foreign policy would be penalized, her alliances shaken and her military guarantees questioned. That is why SALT I appeared to many of us in Europe as proof of a new U.S. policy of retreat to fortress America." SALT 2 in his view is simply codifying Soviet numerical superiority.

EUROPEAN DOUBTS

Similarly, Europeans are not so sure that SALT 2 is as verifiable as the Carter Administration says it is. That claim was made for SALT 1, with debatable validity.

"U.S. policy planners," Gen. Gallois says, "have failed to take into account that we are, in Europe, far more exposed to a surprise attack than U.S. territory. The military posture which has been imposed upon European NATO countries is such that it invites a preemptive attack on our conventional forces. The state of the ballistic art is such that the accuracy of Russian missiles allow a dramatic reduction of yields of their weapons. Having the initiative of military operations and, consequently, the benefit of surprise, Warsaw Pact forces may disarm European NATO countries through atomic strikes of a surgical precision, almost without significant collateral damage. To neutralize such a threat mobile atomic forces would be necessary. On the contrary, European NATO nations are told to increase their conventional contributions, the type of forces that are more vulnerable to the present and future Soviet ballistic nuclear inventory.

"This is why we think that, far from endangering the future cohesion of NATO, the rejection of SALT 2 would comfort American allies in Western Europe. Many in Europe are convinced that during these talks, Russian negotiators have succeeded in convincing their American counterparts that disconnection and even disengagement from Europe is the safest solution for the United States." ●

THE SPREADING MADNESS FROM IRAN

● Mr. DOLE. Mr. President, in this time of international crisis the Senator from Kansas wants to express his gratitude, his thankfulness, to be an American. The United States is not like most other countries. When our Nation was founded just over two centuries ago, we set out to make this country different. We wanted it to be a nation founded on both laws and principles of inalienable rights for the individual. The principles were incorporated into the laws and the laws were designed to enhance and protect these basic principles, best expressed by Thomas Jefferson in the Declaration of Independence as "The right to life, liberty and the pursuit of happiness." All our famous freedoms—freedom of speech, freedom of religion, freedom of the press, the freedom of assembly—derive from that basic outpouring of will and justice that saw us break our ties to the Old World, and establish this new land of freedom.

Mr. President, the growth of the United States over the last 200 years was far from easy. Many times Americans were forced to defend our land and our Constitution with "their lives, their fortunes, and their sacred honor." No, it was not easy and many lives were lost in sacrifice for the principles we hold so dear, and for those who come after us, our sons and daughters and the generations of the future. Our forebears did that for us, and we must be willing to do that for our children—if we are not willing, then America has lost its meaning.

KHOMEINI AND CHAOS RULE IN IRAN

The situation in the Middle East is a dangerous one, for the interests of the United States, yes, but for the entire civilized world as well. Millennia ago Hammurabi ruled where Khomeini and chaos now hold sway. By codifying the laws he began the process of civil order and stability which made the growth of civilization possible. But the tides of history have dealt cruelly with Elem, known today as Iran. Today we see the fruits of a tradition of intolerance and tyranny. The people of Tehran who revolted against an unjust and corrupt system replace it now with one equally intolerant and contemptuous of the civilized world's laws.

There is a great danger of this contagion spreading through the masses of the Third World, where poverty and the deprivation of individual rights cause the people to seek surcease in radical movements and impassioned religious causes. These causes readily accept the sacrifice of even the most basic principles of humanity, principles we hold paramount, in order to achieve a change in their condition. While the people of the United States have always been sympathetic to the victims of oppression, we cannot accept nor allow a spreading madness to assault in the name of Islam the foundations of civilization. Those who would bring down the modern world in order to change it are our enemies. Their retoric for the poor and downtrodden is one that draws our sympathies falsely—it is a mask for a determined attack on the principles of freedom which underlie our national heritage.

THE TIME HAS COME

Every day that passes finds our concern growing deeper for the 50 hostages in Tehran. Since this crisis began, outbreaks of anti-Americanism have occurred in Pakistan, Bangkok, and Kuwait, threatening more American lives. The United States, standing firm and united behind the leadership of our President, must halt this spreading wave of contempt and destruction toward America and civilized values. We have appealed, with mixed results, to our allies and all other nations of the world to recognize this threat as one that vitally affects all. With or without these other nations, such as our neighbor to the South, Mexico, the time has come when we must begin to make our will and determination evident to those who would bring us down.

The United States hopes to avoid military actions in Iran. Greater resistance and enimity are the too-likely results of armed intervention anywhere. But if the United States and the values it holds most dear are going to be attacked, America is ready to respond, as it has so many times over its past 200 years been forced to do.

Mr. President, right now the United States is calling on its allies for support, urging condemnation of Iran by the United Nations, and seeking International legal sanctions through the World Court, as well as our own, protective economic actions. In addition to this pressure on those who hold power in Iran in addition to the calls of reason and the calls of compassion from around

the world, the Senator from Kansas would like to add this warning to Iran: Watch out for the aroused wrath of America; look to our history, to our founding principles; observe the actions and responses of our countrymen over these past 200 years; see what America stands for, and know we will continue to stand steadfast in support of those very principles which are the life's blood of our national heritage.●

THE MILITARY BALANCE

● Mr. GOLDWATER. Mr. President, we are told that possibly that SALT II treaty might be called up this year before we go home for Christmas or that it might be put off until after the holidays. Regardless of when it is called, I think the more we know about the advantages the Soviets already have over us in the military field, the better off we will all be.

One of the most prestigious groups in the world in the field of the study of the military is the International Institute for Strategic Studies in London. They have written, as they do every year, a résumé of the world military picture as they see it. All of this appears in the December issue of Air Force magazine, but of particular interest to the Members of this body should be the comparison between the U.S. forces and those of the Soviet Union. I ask that both the foreword and the text of this particular phase of the study be printed in the RECORD.

THE MILITARY BALANCE 1979/80 AS COMPILED BY THE INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES, LONDON

FOREWORD

It is once again a privilege for Air Force Magazine to present "The Military Balance," compiled by The International Institute for Strategic Studies, London, England, which has been an exclusive feature of each December issue since 1971. The Institute, an independent center for research in defense-related areas, is universally recognized as the leading authority in its field.

"The Military Balance" is an annual, quantitative assessment of the military power and defense expenditure of countries throughout the world. It examines the facts of military power as they existed in July 1979, and no projections of force levels or weapons beyond this date have been included except where specifically noted. The study should not be regarded as a comprehensive guide to the balance of military power, since it does not reflect the facts of geography, vulnerability, or efficiency, except where these are touched on in the sections on balances.

National entries are grouped geographically, but with special reference to the principal regional defense pacts and alignments. A short description of multilateral and bilateral pacts and military agreements introduces each of the regional sections.

The section on the U.S. and U.S.S.R. includes an assessment of the changing strategic and general-purpose force balances between the two superpowers. A separate section assesses the European theater balance between NATO and the Warsaw Pact and summarizes the statistics of forces and weapons in Europe that are in position or might be used as reinforcements. Included this year is a supplementary essay, "The Balance of Theater Nuclear Forces in Europe."

As in the past, space limitations make it necessary for us to exclude some tabular material, including data on arms production in developing countries, arms agreements that have been negotiated since the last issue of "The Balance," and force structures of smaller countries that maintain only minimal defense establishments.

In preparing "The Military Balance 1979/80" for our use, we have retained the Institute's system of abbreviating military weapons and units as well as British spelling and usage. A list of abbreviations found in the text appears on following pages.

Figures for defense expenditures are the latest available. However, since many countries update these figures each year, they will not in all cases be directly comparable with those in previous editions of "The Balance." Defense expenditures for the USSR and the People's Republic of China are estimates. Notes on estimating their defense expenditures appear at the end of the sections on those countries. Where a $ sign appears, it refers to US dollars unless otherwise stated.

GNP figures are usually quoted at current market prices (factor cost for East European countries). Where figures are not currently available from published sources, estimates have been made. Wherever possible, the United Nations System of National Accounts has been used, rather than national figures, as a step toward greater comparability. For the Soviet Union, GNP estimates are made in roubles, following R. W. Campbell, "A Shortcut Method for Estimating Soviet GNP" (*Association for Comparative Economic Studies*, Vol. XIV, No. 2, Fall 1972). East European GNPs at factor cost are derived from Net Material Product, using an adjustment parameter from T. P. Alton, "Economic Growth and Resource Allocation in Eastern Europe," *Reorientation and Commercial Relations of the Economies of Eastern Europe*, Joint Economic Committee, 93d Congress, 2d Session (Washington: USGPO, 1974).

For easier comparisons, national currency figures have been converted into United States dollars, using the rate prevailing at the end of the first quarter of the relevant year. In all cases the conversion rates used are shown in the country entry but may not always be applicable to commercial transactions. An exception is the Soviet Union, since the official exchange rate is unsuitable for converting rouble estimates of GNP. Various estimates for more appropriate conversion rates have been made, but they have shortcomings too great to warrant their being used here. The official rate is, however, given in the country section. Further exceptions are certain East European countries which are not members of the IMF and Romania (which is), for which the conversion rates used are those described in Alton's study mentioned above.

Unless otherwise stated, the manpower figures given are those of active forces, regular and conscript. An indication of the size of militia, reserve, and para-military forces is also included in the country entry where appropriate. Para-military forces are here taken to be forces whose equipment and training goes beyond that required for civil police duties and whose constitution and control suggest that they may be usable in support, or in lieu, of regular forces.

Equipment figures in the country entries cover total holdings, with the exception of combat aircraft, where front-line squadron strengths are normally shown. Except where the contrary is made clear, naval vessels of less than 100 tons of structural displacement have been excluded. The term "combat aircraft" used in the country entries includes only bomber, fighter-bomber, strike, interceptor, reconnaissance, counterinsurgency, and armed trainer aircraft (*i.e.*, aircraft normally equipped and configured to deliver ordnance or to perform military reconnaissance). It does not include helicopters.

Where the term "mile" is used when indicating the range or radius of weapons systems, it means a statute mile.

The Institute assumes full responsibility for the facts and judgments contained in the study. The cooperation of the governments that are covered was sought and, in many cases, received. Not all countries were equally cooperative, and some figures were necessarily estimated.

ABBREVIATIONS

<: under 100 tons.
−: indicates part of establishment is detached.
AA: anti-aircraft.
AAM: air-to-air missile(s).
AB: airborne.
ABM: anti-ballistic missile(s).
ac: aircraft.
AD: air defence.
AEW: airborne early warning.
AFV: armoured fighting vehicle(s).
AFB: air force base.
ALBM: air-launched ballistic missile(s).
ALCM: air-launched cruise missile(s).
amph: amphibious.
APC: armoured personnel carrier(s).
Arg: Argentinian.
armd: armoured.
arty: artillery.
ASM: air-to-surface missile(s).
ASW: anti-submarine warfare.
ATGW: anti-tank guided weapon(s).
ATK: anti-tank.
Aus: Australian.
AWACS: airborne warning and control system.
AWX: all-weather fighter.
bbr: bomber.
bde: brigade.
bn: battalion *or* billion.
Br: British.
bty: battery.
Can: Canadian.
cav: cavalry.
cdo: commando.
CEP: circular error probable.
Ch: Chinese (PRC).
COIN: counter-insurgency.
comd: command.
comms: communications.
coy: company.
det: detachment.
div: division.
ECM: electronic counter-measures.
ELINT: electronic intelligence.
engr: engineer.
eqpt: equipment.
EW: early warning.
FAC(G): fast attack craft (gun).
FAC(M): fast attack craft (missile).
FAC(P): fast attack craft (patrol).
FAC(T): fast attack craft (torpedo).
FB: fighter-bomber.
fd: field.
FGA: fighter, ground-attack.
flt: flight.
Fr: French.
GDP: gross domestic product.
GDR: German Democratic Republic.
Ger: German (West).
GNP: gross national product.
GP: general purpose.
gp: group.
GPS: Global Positioning System.
GW: guided weapon(s).
hel: helicopter(s).
how: howitzer(s).
hy: heavy.
ICBM: inter-continental ballistic missile(s).
indep: independent.
inf: infantry.
IRBM: intermediate-range ballistic missile(s).
KT: kiloton (1,000 tons TNT equivalent).
LCA: landing craft, assault.
LCM: landing craft, medium/mechanized.
LCT: landing craft, tank.
LCU: landing craft, utility.
LCVP: landing craft, vehicles and personnel.

LHA: amphibious general assault ship(s).
log: logistic.
LPD: landing platform, dock.
LPH: landing platform, helicopter.
LRCM: long-range cruise missile(s).
LSD: landing ship, dock.
LSM: landing ship, medium.
LST: landing ship, tank.
lt: light.
m: million.
MARV: maneuverable re-entry vehicle(s).
MCM: mine counter-measures.
mech: mechanized.
med: medium.
MICV: mechanized infantry combat vehicle(s).
MIRV: multiple independently-targetable re-entry vehicle(s).
mor: mortar(s).
mot: motorized.
MR: maritime reconnaissance.
MRBM: medium-range ballistic missile(s).
MRCA: multi-role combat aircraft.
MRV: multiple re-entry vehicle(s).
msl: missile.
MT: megaton (1 million tons TNT equivalent).
n.a.: not available.
Neth: Netherlands.
OCU: operational conversion unit.
para: parachute.
pdr: pounder.
Pol: Polish.
Port: Portuguese.
PSMM: patrol ship, multi-mission.
RCL: recoilless launcher(s).
recce: reconnaissance.
regt: regiment.
RL: rocket launcher.
RV: re-entry vehicle(s).
SAM: surface-to-air missile(s).
SAR: search and rescue.
sig: signal.
SLBM: submarine-launched ballistic missile(s).
SLCM: sea-launched cruise missile(s).
Sov: Soviet.
SP: self-propelled.
spt: support.
sqn: squadron.
SRAM: short-range attack missile(s).
SRBM: short-range ballistic missile(s).
SSBN: ballistic-missile submarine(s), nuclear.
SSM: surface-to-surface missile(s).
SSN: submarine(s), nuclear.
sub: submarine.
TA: territorial army.
tac: tactical.
TAVR: Territorial and Army Volunteer Reserve.
tk: tank.
tp: troop.
tpt: transport.
trg: training.
UNDOF: United Nations Disengagement Observation Force.
UNEF: UN Emergency Force.
UNFICYP: UN Force in Cyprus.
UNIFIL: UN Interim Force in Lebanon.
UNTSO: UN Truce Supervisory Organization.
USGW: underwater-to-surface guided weapon.
vch: vehicle(s).
V(/S)TOL: vertical (/short) take-off and landing.
Yug: Yugoslav.

THE MILITARY BALANCE 1979/80: THE UNITED STATES AND THE SOVIET UNION

AMERICAN STRATEGIC FORCES

The second Strategic Arms Limitation Talks agreement (SALT II) is now undergoing consideration by the US Senate. Pending completion of this process, both superpowers have continued to modernize their strategic forces within the context and limits imposed by SALT I and stipulated in the Vladivostok Accord of 1974. Although the Interim Agreement (SALT I) was due to expire on 3 October 1977, both sides have undertaken to observe its provisions while SALT II is being negotiated.

In the case of the United States, some programmes are in train for modernizing and upgrading strategic forces, but important decisions remain to be taken about the ICBM force. For many years the ICBM force has remained at 1,054 (550 *Minuteman* III each with 3 MIRV warheads, 450 single-warhead *Minuteman* II, and 54 *Titan* II), but plans are in hand to upgrade *Minuteman* III yield and accuracy with the NS-20 guidance system and the Mk 12A warhead. Development of the Mk 12A should be complete by the end of 1979 and production will then begin. Accuracy should then increase from a CEP of 0.25 nautical miles (nm) to 700 feet. MARV development continued, as did component development of the MX ICBM, but some fundamental decisions remain to be taken on the basing mode for the new missile. The MX will be 92 ins in diameter and have 10 warheads.

At sea, 496 *Poseidon* SLBM, each with 10–14 MIRV, form the missile complement of 31 SSBN, and a further 160 *Polaris* SLBM (each with 3 MRV) are carried in 10 SSBN. Of the *Poseidon* C3 warheads, 400 are allocated to SACEUR for European missions, although the submarines concerned are no longer based at Rota in Spain, having been withdrawn in early 1979. Construction of the first seven of the new 24-tube *Trident* boats continues and the first has been launched. Delays in the programme have been reported. Testing of the *Trident* C4 missile has continued. With a range of 4,000 nm, this will also be retrofited into 12 of the in-service *Poseidon* boats starting this year. The C4 has not only almost twice the range of in-service SLBM but accuracy will improve to about 1,500 feet CEP. It will carry 8x100KT MIRV. A second-generation SLBM for *Trident* boats (the D5) is under early development. This is expected to have a range of 6,000 nm, to carry 14x150KT MIRV warheads, and may employ a maneuverable warhead, the Mk 500 *Evader*. In conjunction with GPS *Navstar satellites*, very high degrees of accuracy might be obtainable.

Some 120 B-52G/H strategic bombers are to be adapted for the carriage of ALCM or a mix of ALCM and short-range attack missiles (SRAM). This will involve structural and avionic improvements. Flight-testing continued on 3 B-1 bomber prototypes but plans to procure further aircraft were cancelled. There are two ALCM designs competing for a production contract, and a fly-off is taking place. Range will be of the order of 1,500 nm and ALCM could be in service by about 1982/3. Although there is considerable and perhaps growing interest in ground- and sea-launched cruise missiles, the SALT II Protocol will prohibit their deployment with effective ranges of over 350 nm until its expiry at the end of 1981. However, testing and development may proceed.

There has been a slight drop in total numbers of American delivery systems (2,270 in 1969, 2,142 in 1979), although the number of deliverable warheads has doubled (to 11,000) in the same period.

By contrast, defence against strategic attack has been accorded a lower priority. Interceptor aircraft to handle a Soviet bomber attack were held at six active and ten reserve (Air National Guard) squadrons. One of these ANG squadrons is due to disband in FY 1979. Radar development continued and several programmes are in hand to enhance satellite survivability; these include satellite "hardening", maneuverability, and an anti-satellite capability.

SOVIET STRATEGIC FORCES

The Soviet Union's pace of modernization continued to be impressive. Although total ICBM numbers fell (to a little under 1,400 as older ICBM were replaced by new SLBM), at least 230 new ICBM (SS-17, -18, -19) were deployed during the year in single-warhead and MIRV variants. Accuracy has improved dramatically, and the SS-18 and SS-19 reportedly have accuracies comparable to American systems. The SS-16 ICBM is ready for deployment in a mobile mode, but the Soviet Union has undertaken in SALT II not to deploy it in this way and to dismantle any facilities for the rapid conversion of the mobile 3-MIRV SS-20 IRBM to the SS-16 by the addition of an extra stage. SS-20 deployment, however, is not constrained by SALT, and about 120 launchers are deployed, at least some of them assumed to be targeted against China. It is unclear as yet whether the rather elderly SS-4 and SS-5 IRBM are being retired as the new (and much more capable) missile is brought into service, but it appears probable that at least some of the older missiles will be placed in storage. There is little doubt that several ICBM are being developed, but only one of these could be deployed before 1985, which is 'new' under the terms of SALT II.

At sea there is also marked improvement. Soviet SLBM now number 950 in 64 submarines (this figure excludes SS-N-4 and SS-N-5 SLBM, which are not counted in SALT). Five Delta II and nine Delta III SSBN are in service. The former carry 16 4,800nm-range SS-N-8 missiles each, and the latter are being fitted with the 5,000nm-range SS-N-18—a new 3-MIRV replacement for the SS-N-8. Another new SLBM, the SS-N-17, is believed to be in service on one Yankee-class SSBN. It is believed that a new SLCM to replace the ageing SS-N-3 is under development.

Tu-22M Backfire bombers are entering service at a rate of about 25 per year, but a letter of understanding is attached to SALT II in which the USSR undertakes not to use this aircraft as a strategic nuclear delivery vehicle (SNDV) and to limit production to 30 a year. A new ASM is expected before long, and there are persistent reports of a new strategic bomber being flight-tested.

In 1969 the Soviet Union was deploying 1,369 SNDV. The total is now 2,504 which, under the terms of SALT II, will have to reduce to 2,250 by 1982. Some retirements of elderly systems are therefore expected, provided SALT II is ratified. Warheads, however, are increasing quite sharply as a direct result of the switch to MIRVed systems on land and at sea. The figure is now about 5,000, and this will rise to 7,500 in the early 1980s. The average yield of these warheads is substantially higher than the average yield of American warheads.

Strategic defence is provided for by extensive air defence radars, SAM, interceptors, and the Moscow ABM complex of 64 launchers. Considerable effort is being devoted to defences against the US ALCM threat which will develop in the 1980s. It is believed that research is continuing on anti-satellite and exotic technologies which may have application for ballistic missile defence.

AMERICAN GENERAL-PURPOSE FORCES

Numbers in the American armed forces have not changed significantly in the past year, although there is recurrent concern over recruitment. A number of significant programmes for improving the capability of conventional weapons are in train, with marked emphasis on aircraft and anti-tank systems. One American infantry division is being mechanized. Procurement of TOW and Dragon ATGW continued. Cannon-launched guided projectiles (CLGP) and scatterable mines are being developed, together with the GSRS rocket launcher. Tank production continued to increase, but numbers remain at much the same level (10,500) as ten years ago. The first 110 of the new XM-1 tank are due for delivery this year, to be followed by 569 in FY 1980. Plans to develop a new infantry/cavalry fighting vehicle have been

cancelled and a less-costly alternative is being considered. As an interim measure, 1,207 more M–113 APC will be produced by FY 1980.

Deployment of the new generation of tactical fighters has continued, with the Navy F–14 and the Air Force F–15 and F–16 entering service in substantial numbers. Development of the less costly F–18 continued. The A–10 ground-attack aircraft is in full production. Fourteen E–3A AWACS aircraft are in service and eight are on order (and NATO has agreed to purchase a further eighteen for deployment in Europe). New scout, attack, and transport helicopters are being developed. In the field of long-range air transport, in-flight refueling for C–141 transports and production of the advanced tanker cargo aircraft (ATCA) will significantly enhance strategic airlift in the early 1980s.

The number of American naval units declined sharply in the 1970s, reaching a low of 172 major surface combatants. This trend should be reversed if plans proceed as intended. The building of a large new nuclear-powered carrier was vetoed by the President, although the decision may be challenged in Congress. Planning has concentrated on a new class of smaller, conventionally-engined carrier. A total of 42 SSN–688 attack submarines are to be built, nine of which have entered service, with three more due this year. The *Harpoon* anti-shipping missile has entered service with a range of 100km. The *Tomahawk* SLCM, with a much greater range and a nuclear capability, may enter service after 1981. Improvements are also under way for amphibious lift and afloat support. Development is proceeding on a new type of air-cushion vehicle for ship-to-shore movement.

SOVIET GENERAL-PURPOSE FORCES

There has been no sign of any slackening in Soviet improvement programmes. Holdings of all types of armoured vehicles have increased as the BMP MICV, T–64, and T–72 tanks continue to enter service. Tank numbers are assessed at about 50,000, compared with 34,000 in 1967, although a significant proportion of these are obsolete and are considered to be in reserve. Nevertheless, the Soviet Union thus can rapidly increase the number of formations at short notice on full mobilization. *Hind* attack helicopters are being seen in much greater numbers, and new SAM, new ATGW, and new tactical nuclear missiles (SS–21 and SS–22) have all been identified. Self-propelled artillery deployment continues to take pace rapidly.

Greater numbers of modern Soviet tactical aircraft—Su–17 *Fitter* C, MiG–23 *Flogger* B, MiG–27 *Flogger* D, and Su–19 *Fencer*—have been brought in, and all have greater range and payload than the aircraft they are replacing, as well as much improved avionics. Many are nuclear-capable and have considerable ability to penetrate at low level. Armament and ECM are improving. Long-range transport aircraft (especially the Il–76 *Candid*), with impressive payload/range characteristics, continue to enter service. The Soviet Navy received more *Forger* VTOL and *Backfire* aircraft, both to improve the air defences of the fleets and to enhance long-range anti-shipping capabilities.

Although a very substantial number of Soviet naval vessels are overdue for replacement and can only be suitable for service close to shore, emphasis continues to be placed on new amphibious shipping (*Ivan Rogov*-class), carriers (two *Kiev*-class operational, another launched), and attack submarines. Other major surface combatants under construction include *Kara*-, *Kresta*-II-, and *Krivak*-class vessels, and new missile attack boats of the *Matka*-class are under construction to replace or augment the *Osa*-class. There are reports that a nuclear-powered cruiser of over 20,000 tons is now fitting out in the Baltic.

THE UNITED STATES

Population: 220,300,000.

Military service: voluntary.

Total armed forces: 2,022,000 (134,310 women).

Estimated GNP 1978: $2,106.6 bn.

Defence expenditure 1979–80: $122.7 bn. (Expected Outlay in Fiscal 1980. Budget Outlay $135.0 bn; Total Obligational Authority $135.5 bn.)

Strategic Nuclear Forces: (Manpower included in Army, Navy, and Air Force totals.) Offensive: (a) *Navy:* 656 SLBM in 41 SSBN. 31 *Lafayette* SSBN, each with 16 *Poseidon* C3 (12 to be retrofitted with *Trident* C4 msls). 5 *Washington*, 5 *Allen* SSBN, each with 16 *Polaris* A3. (7 *Trident* SSBN, each with 24 *Trident* C4, building.)

(b) *Strategic Air Command* (SAC): *ICBM:* 1,054. 26 strategic msl sqns: 9 with 450 *Minuteman* II, 11 with 550 *Minuteman* III, 6 with 54 *Titan* II.

(On order: 200 MX ICBM.)

Aircraft: Bombers: 573. 66 FB–111A in 4 sqns (with 120 SRAM); 240 B–52G/H in 15 sqns. (with 120 SRAM); 75 B–52 in 5 sqns. Training: 50 B–52D/F. Storage or reserve: 142 incl. B–52D/G/H. Tankers: 515 KC–135A in 30 sqns. Strategic recce and comd: 1 sqn with 10SR–71A, 1 sqn with 10 U–2C1R, 1 sqn with 4 E–4A/B, 3 sqns with 19 RC/EC–135. (On order: 25 TR–1.)

Defensive: North American Air Defense Command (NORAD), HQ at Colorado Springs, is a joint American-Canadian organization. It includes:

ABM: Safeguard system (msls deactivated).

Aircraft (excluding Canadian and tac units):

Interceptors: 325.

(i) Regular: 6 sqns with 146 F–106A.

(ii) Air National Guard (ANG): 3 sqns with 63 F–101B/F, 2 with 40 F–4C/D, 5 with 76 F–106A.

Genie, Falcon, Super Falcon AAM.

Warning Systems:

(i) *Satellite-based early-warning system:* 3 DSP satellites, 1 over Eastern Hemisphere, 2 over Western; surveillance and warning systems to detect launchings from SLBM, ICBM, and fractional orbit bombardment systems (FOBS).

(ii) *Space Detection and Tracking System* (SPADATS): USAF *Spacetrack* (7 sites), USN *SPASUR*, and civilian agencies. pace Defense Center at NORAD HQ: satellite tracking, identification, and cataloguing control.

(iii) *Ballistic Missile Early Warning System* (BMEWS): 3 stations (Alaska, Greenland, England); detection and tracking radars with ICBM and IRBM capability.

(iv) *Distant Early Warning (DEW) Line:* 31 stations roughly along the 70°N parallel.

(v) *Pinetree Line:* 24 stations in Central Canada.

(vi) *474N:* 1 station on US East, 1 on Gulf, 1 on West coast (to be replaced by *Pave Paws* phased-array radars: 1 on East, 1 on West coast); SLBM detection and warning net.

(vii) *Perimeter Acquisition Radar Attack Characterization System* (PARCS): 1 north-facing phased-array 2,000-mile system at inactive ABM site in North Dakota.

(viii) *Cobra Dane Radar:* phased-array system at Shemya, Aleutians.

(ix) *Back-up Interceptor Control* (BUIC): system for AD command and control (all stations but 1 semi-active).

(x) *Semi-Automatic Ground Environment* (SAGE): 6 locations (2 in Canada); combined with BUIC and Manual Control Centre (MCC) in Alaska (to be replaced by Joint Surveillance System (JSS) with 7 Region Operations Control Centres, 4 in US, 1 in Alaska, 2 in Canada); system for co-ordinating surveillance and tracking of objects in North American airspace.

(xi) *Ground radar stations:* some 47 stations manned by ANG, augmented by Federal Aviation Administration (FAA) stations (to be replaced as surveillance element of JSS).

Army: 750,800 (56,840 women).

4 armed divs.

5 mech divs.

5 inf divs (1 to become mech in 1979. One National Guard bde is incorporated in 1 mech and 3 inf divs).

1 airmobile div.

1 AB div.

1 armed bde.

1 inf bde.

3 armd cav regts.

1 bde in Berlin.

2 special mission bdes.

Army Aviation 1 air cav combat bde, indep bns assigned to HQ for tac tpt and medical duties.

4 *Pershing*, 8 *Lance* SSM bns.

Tanks: some 10,500 med, incl 1,825 M–48A5, 1,555 M–60, 5,875 M–60A1, 540 M–60A2 with *Shillelagh* ATGW, 615 M–60A3; 1,600 M–551 *Sheridan* It tks with *Shillelagh*.

AFV: some 22,000 M–577, M–114, M–113 APC.

Arty and Msls: about 2,500 105mm, 155mm towed guns/how; 4,000 175mm SP guns and 105mm, 155mm, and 203mm SP how; 3,500 81mm, 2,000 107mm mor; 6,000 90mm and 106mm RCL; *TOW, Dragon* ATGW; *Honest John, Pershing, Lance* SSM.

AA arty and SAM: some 600 20mm, 40mm towed, and SP AA guns; some 20,000 *Redeye, Stinger, Chaparral/Vulcan* 20mm AA msl/gun systems; *Nike Hercules* and *Improved HAWK* SAM (to be replaced by *Patriot*).

Aircraft/Hel: about 550 ac, incl 200 OV–1/–10, 350 U–21/C–12; hel incl about 1,000 AH–1G/Q/S, 4,000 UH–1/–19, 15 UH–60A, 500 CH–47/–54, 2,500 OH–6A/58A.

Trainers incl about 200 T–41/–42 ac; 250 TH–55A hel.

(On order: 689 M–60A3, 110 XM–1 med tks, 1,100 M–901 *Improved TOW*, 550 M–113A1 *TOW* veh, 450 M–198 155mm, 232 M–109A2/3 155mm SP how, 485 *Roland*, 795 Improved *HAWK* SAM 297 AH–1S, 234 UH–60A hel.)

Deployment: *Continental United States:*

Strategic Reserve: (i) 1 mech, 1 AB divs, 1 armd bde. (ii) To reinforce 7th Army in Europe: 2 armd, 2 mech, 3 inf, 1 airmobile divs, 1 armd cav regt, 1 inf bde (one armed div, 1 mech div, 1 armd cav regt have hy eqpt stockpiled in W. Germany). (iii) Alaska: 1 bde. (iv) Panama: 1 bde.

Europe: 202,400.

(i) Germany: 193,000. 7th Army: 2 corps, incl 2 armd, 2 mech divs, 1 armd, 2 mech bdes, plus 2 armd cav regts; 3,000 med tks. (Includes those stockpiled for the strategic reserve formations.)

(ii) West Berlin: 4,400. HQ elements and 1 inf bde.

(iii) Greece: 800.

(iv) Italy: 4,000.

(v) Turkey: 1,000.

Pacific:

(i) South Korea: 33,400. 1 inf div, 1 AD arty bde with 12 *Improved HAWK* btys.

(ii) Hawaii: 1 inf div less 1 bde.

Reserves: 534,000.

(i) Army National Guard: 348,000 capable after mobilization of manning 2 armd, 1 mech, 5 inf divs, 21 indep bdes (3 armd, 8 mech, 10 inf), and 4 armd cav regts, plus reinforcements and support units to fill regular formations. (The 21 indep bdes include 4 indep bdes and 11 bns incorporated in active army divs.)

(ii) Army Reserves: 186,000 in 12 trg divs, 1 mech, 2 inf indep combat bdes; 49,000 a year do short active duty.

Marine Corps: 184,000 (5,085 women).

3 divs.

2 SAM bns with *Improved HAWK*.

575 M–60A1 med tks; 950 LVTP–7 APC; 175 mm SP guns; 105mm, 155mm towed, 155 mm.

203mm SP how; 230 81 mm mor; 106mm RCL; *TOW, DRAGON* ATGW, *Redeye* SAM.

3 Air Wings: 392 combat aircraft.

12 FGA skns with 144 F-4/S with *Sparrow* and *Sidewinder* AAM.

13 FGA sqns; 3 with 78 AV-8A *Harrier*, 5 with 80 A-4M, 5 with 60 A-6A/E.

1 recce sqn with 10 RF-4B.

2 ECM sqns with 20 EA-6B.

2 observation sqns with 36 OV-10A.

3 assault tpt/tanker sqns with 36 KC-130F/R.

3 attack hel sqns with 54 AH-1J/T.

6 lt hel sqn with 96 UH-1N.

9 med. hel sqns with 162 CH-46F.

6 hy hel sqns with 126 CH-53D.

6 trg sqns with A-4M/TA-4J, A-6C, AV/TA-8A, F-4J/N ac, CH-46F, CH-53D hel.

Deployment: *Pacific:* 1 div. 1 air wing.

Reservers: 33,000.

1 div and 1 air wing: 2 fighter sqns with 24 F-4N, 5 attack sqns wtih 60 A-4E/F, 1 observation sqn with 18 OV-10A, 1 tpt/tanker sqn with 12 KC-130, 7 hel sqns (1 attack with 18 AH-1G, 2 hy with 18 CH-53, 3 med with 54 CH-46, 1 lt with 21 UH-1E), 2 tk bns, 1 amph assault bn, 1 SAM bn with *HAWK*, 1 fd arty gp.

Navy: 524,200 (25,290 women); 180 major combat surface ships, 80 attack submarines.

Submarines attack: 73 nuclear: 9 *Los Angeles* with *Harpoon* SSM and *SUBROC*, 52 with *SUBROC* (1 *Lipscomb*, 1 *Narwhal*, 37 *Sturgeon*, 13 *Thresher*), 5 *Skipjack*, 7 *skate*. 7 diesel: 3 *Barbel*, 2 *Grayback*, 2 *Tang*.

Aircraft carriers: 13. 3 nuclear: 2 *Nimitz* (91,400 tons), 1 *Enterprise* (89,600 tons). 10 conventional: 4 *Kitty* and *J.F. Kennedy* (78/82,000 tons), 4 *Forrestal* (76/79,000 tons), 2 *Midway* (62,200 tons).

These normally carry 1 air wing (70–95 ac) of 2 fighter sqns with 24 F-14A or 24 F-4J, 3 attack (1 AWX, 2 with 24 A-7E, 1 with 10 A-6E), 1 recce with 3 RA-5C or 3 RF-8G, 2 ASW (1 with 10 S-3A ac, 1 with 8 SH-3A/D/G/H hel), 1 ECM with 4 EA-6B, 1 AEW with 4 E-2B/C, 4 KA-6D tankers, and other specialist ac.

Other surface ships: 8 nuclear-powered GW cruisers with SAM, *ASROC* (3 *Virginia*, 2 *California*, 1 *Truxun*, 1 *Long Beach*, 1 *Brainbridge*).

20 GW cruisers with SAM, *ASROC*, 8 with 1 hel (8 *Belnap*, 9 *Leahy*, 2 *Albany*, 1 *Cleveland*).

37 GW destroyers with SAM, *ASROC* (10 *Coontz*, 4*F. Sherman*, 23 *C. F. Adams*).

35 gun/ASW destroyers, most with SAM or *ASROC* (21 *Spruance*, 13*F. Sherman/Hull*, 1 *Gearing*).

7 GW frigates with SAM, *ASROC hel*(1 *O. H. Perry*, 6 *Brooke*).

58 gun frigates with *ASROC* (52 with 1 hel; 46 *Knox*, 10 *Garcia*, 2 *Bronstein*).

2 *Asheville* large patrol craft.

1 *Pegasus* GW hydrofoil with *Harpoon* SSM.

3 *Aggressive* ocean minesweepers.

65 amph warfare ships (1 *Raleigh*, 2 *Blue Ridge* comd. 3 *Tarawa* LHA, 7 *Iwo Jima* LPH, 12 *Austin*, 2 *Raleigh* LPD, 5 *Anchorage*, 8 *Thomaston* LSD, 20 *Newport* LST, 5 *Charleston* amph cargo ships).

105 LCU (60 Type 1610, 24 Type 1466, 21 Type 501).

36 replenishment and 47 depot and repair ships.

(On order or funded; 25 SSN, 1 nuclear carrier, 1 nuclear GW cruiser, 11 destroyers, 32 GW frigates, 5 GW hydrofoils, 2 LHA.)

Ships in reserve: 3 subs, 6 aircraft carriers, 4 battleships, 7 cruisers, 46 log support, and 41 troop, cargo, and tanker ships. (239 cargo ships, 162 tankers could be used for auxiliary sealift.)

Aircraft: 12 attack carrier air wings; some 1,100 combat aircraft. 26 fighter sqns: 14 with 168 F-14A, 12 with 144 F-4.

36 attack sqns: 11 with 110 A-6E, 25 with 300 A-7E.

5 recce sqns with 30 RA-5C, 30 RF-8G.

24 land-based MR sqns with 260 P-3B/C.

11 ASW sqns with 110 S-3A.

13 ASW hel sqns with 72 SH-3A/D/G/H.

7 lt ASW hel sqns with SH-2F.

17 misc support sqns with 12 C-130F/LC-130, 7 C-118, 2 C-9B, 16 CT-39, 13 C-131, 6 C-117, 20 C-1, 10 C-2, 26 EA-6B ac; 30 AH-53D, CH-46, SH-3, SH-2F hel.

38 trg sqns with A-7, A-6, F-4, F-5E, F-14, E-2, P-3, TA-4J, T-2C, T-34/-39, TS-2A ac, TH-57A, TH-1L, HH-64, UH-1H, HH-1K hel.

Standard, Bullpup, Shrike ASM, *Sparrow*, Phoenix AAM.

(On order: 12 A-6E, 12 A-7E, 60 F-14A, 24 F-18 fighters, 24 P-3C MR, 12 E-2C AEW ac.)

Deployment and bases (average strengths of major combat ships; some in Mediterranean and Western Pacific based overseas, rest rotated from US).

Second Fleet (Atlantic): 5 carriers, 61 surface combatants, Norfolk, Mayport, Roosevelt Roads (Puerto Rico), Charleston, Philadelphia, Brooklyn, New London, Newport, Boston, Guantanamo Bay (Cuba), Argentia (Newfoundland), Keflavik (Iceland), Holy Loch (Scotland).

Third Fleet (Eastern Pacific): 4 carriers, 67 surface combatants. Pearl Harbor, San Francisco, San Diego, Long Beach, Adak (Alaska).

Sixth Fleet (Mediterranean): 2 carriers, 16 surface combatants, 1 Marine Amphibious Unit (MAU). (Marine Amphibious Units are 5–7 amph ships with a Marine bn embarked. Only 1 in Mediterranean and 1 in Pacific are regularly constituted. 1 Bn Landing Team (MAU less hel) also deployed in the Pacific; 1 occasionally formed for the Atlantic.) Naples (Italy), Rota (Spain).

Seventh Fleet (Western Pacific); 2 carriers, 19 surface combatants, 1 MAU, 1 Marine Bn Landing Team. Yokosuka (Japan), Subic Bay (Philippines), Apra Harbor (Guam), Midway.

Reserves: 83,000. Ships in commission with the Reserve include 28 destroyers, 3 amph warfare ships, 22 ocean minesweepers.

2 carrier wings; 6 attack sqns with A-7B, 4 fighter with F-4N, 2 recce with RF-8G, 2 AEW with E-2B, 3 electronic with EA-6A, EKA-3.

13 MR Sqns with P-3A.

4 tac spt sqns with 12 C-9B, 30 C-118B.

2 composite sqns with TA-4J.

7 hel sqns: 4 ASW with SH-3A/G, 2 lt attack with HH-1K, 1 SAR with HH-3A.

Air Force: 563,000 (47,095 women); about 3,400 combat aircraft. (Excluding ac in SAC and NORAD; incl ac in ANG and Air Force Reserve.)

81 FGA sqns: 43 with 1,000 F-4, 3 *Wild Weasel* (1 with 24 F-105G, 2 with 48 F-4G), 12 with 282 F-111A/D/E/F, 13 with 312 F-15, 3 with 72 A-7D, 7 with 112 A-10A.

7 tac recce sqns with 192 RF-4C.

3 AWACS sqn with 14 E-3A.

1 defense system evaluation sqn with 21 EB-57 (2 with 40 EF-111A due).

11 tac air control sqns: 6 with 88 OV-10 and O-2E, 1 with 7 EC-130E, 1 with 11 EC-135 ac, 3 with 27 CH-3 hel.

5 special operations sqns: 4 with 20 AC-130 ac, 1 with CH-3, UH-1 hel.

4 aggressor trg sqns with 55 F-5E.

17 OCU; 1 with F-16, 7 with F-4, 1 with F-5, 2 with F-15, 2 with F-101/-106, 3 with A-10, 1 with RF-4C.

1 tac drone sqn with 7 DC-130A.

15 tac airlift sqns with 231 C-130.

17 hy tpt sqns; 4 with 70 C-5A, 13 with 234 C-141.

5 SAR sqns with 30 HC-130 ac, 76 HH-3/-53, 11 HH-1 hel.

3 medical tpt sqns with 23 C-9.

2 weather recce sqns with 14 WC-130, 29 WC-135.

Hel incl 138 UH-1N, 21 HH-3E, 51 HH/CH-53.

28 trg sqns with F-16B, 300 T-33A, 680 T-37B, 730 T-38, 113 T-39, 52 T-41A/C, 15 T-43A, C-5A, C-130E, C-141A.

Standard, Maverick, Shrike ASM, *Sparrow, Sidewinder* AAM.

(On order: 320 F-16, 138 F-15 fighters, 483 A-10 FGA.)

DEPLOYMENT: *Continental United States* (incl Alaska):

(i) Tactical Air Command: 87,000, 9th and 12th Air Forces, 43 fighter sqns, 5 tac recce sqns.

(ii) Military Airlift Command (MAC): 64,-500. 21st and 22nd Air Forces.

Europe: US Air Force, Europe (USAFE): 74,-300. 3rd Air Force (Britain), 16th Air Force (Spain; units in Italy, Greece, and Turkey), 17th Air Force (Germany and Netherlands). 1 AD sqn in Iceland; 28 fighter sqns (plus 5 in US on call) with 108 A-10, 204 F-4C/D/E, 20 F-5E, 72 F-15, 156 F-111E/F; 3 tac recce sqns (plus 3 in US on call) with 60 RF-4C; 2 tac airlift sqns (plus 6 in US on call) with 32 C-130.

Pacific: Pacific Air Forces (PACAF): 23,000. 5th Air Force (Japan, Okinawa, 1 wing in Korea), 13th Air Force (Philippines). 10 fighter sqns, 1 tac recce sqn, 1 spec ops sqn.

RESERVES: 147,000.

(i) Air National Guard: 93,000; about 800 combat aircraft.

10 interceptor sqns; 30 fighter sqns (4 with 80 F-105B/D, 8 with 160 F-4C, 14 with 320 A-7D, 2 with 40 A-10, 2 with 49 A-37B); 9 recce sqns (1 with 20 RF-101C, 8 with 135 RF-4C); 19 tac tpt sqns (18 with 150 C-130A/B/H, 1 with 16 C-7A); 6 tac air spt sqns with 120 O-2A; 13 tanker sqns with 104 KC-135, 1 ECM sqn with 10 C/EC-121; 2 special electronics sqns with 20 EB-57B, EC-130; 2 SAR sqns with 8 HC-130 ac, HH/-3 hel.

(ii) Air Force Reserve: 54,000; about 180 combat aircraft.

8 fighter sqns (3 with 69 F-105D, 4 with 90 A-37B, 1 with 20 F-4); 17 tac tpt sqns (11 with 121 C-130/A/B, 4 with 64 C-123K, 2 with 32 C-7); 1 AEW sqn with 10 EC-121, 1 recce drone sqn with DC-130 ac, 7/CH-3 hel; 3 tanker sqns with 24 KC-135; 1 speical operations sqn with 10 AC-130; 4 SAR sqns (2 with 13 HC-130 ac, 2 with 20 HH-3E, HH-1H hel); 1 weather recce sqn with 4 WC-130. 18 Reserve Associate Military Airlift sqns (personnel only): 4 tpt for C-5A, 13 tpt for C-141A, 1 aero medical for C9A.

(iii) Civil Reserve Air Fleet: 385 long-range commerical ac (113 cargo-convertible, 272 passenger).

THE SOVIET UNION

Population: 261,300,000.

Military service: Army and Air Force 2 years, Navy and Border Guards 2–3 years.

Total armed forces: 3,658,000. (Excludes some 500,000 internal security forces, railroad, and construction troops.)

Estimated GNP 1977: 516 bn roubles. (See "Foreword," p. 61. Official exchange rate 1977, $1 = 0.661 roubles.)

Estimated defence expenditure 1979: see essay on following page.

Strategic Nuclear Forces: (For characteristics of nuclear delivery vehicles, see Table 1, pp. 130–131.)

Offensive:

(a) *Navy:* 1,028 SLBM in 90 subs.

9 D-III SSBN, each with 16 SS-N-18 (more building).

5 D-II SSBN, each with 16 SS-N-8.

15 D-I SSBN, each with 12 SS-N-8.

34 Y-class SSBN: 33 with 16 SS-N-6 *Sawfly*, 1 with 12 SS-N-17.

1 H-III SSBN with 6 SS-N-8.

(The following 78 launchers are not considered strategic missiles under the terms of the Strategic Arms Limitations [Interim] Agreement:)

7 H-II SSBN, each with 3 SS-N-5 *Serb*.

13 G-II diesel, each with 3 SS-N-5.

6 G-I diesel, each with 3 SS-N-4 *Sark*.

(b) *Strategic Rocket Forces* (SRF): 375,000. (The SRF and *PVO-Strany*, separate services, have their own manpower.)

ICBM: about 1,398. 100 SS-9 *Scarp* (converting to SS-18). 638 SS-11 *Sego* (converting to SS-17 and SS-19). 60 SS-13 *Savage*. 100 SS-17. 200 SS-18. 300 SS-19.

IRBM and MRBM: some 710 deployed (most in Western USSR, rest east of Urals). 90 SS-5 *Skean* IRBM. 120 SS-20 IRBM (mobile). 500 SS-4 *Sandal* MRBM.

(c) *Long-Range Air Force* (LRAF): about 850 aircraft. (About 75 percent based in the European USSR, most of the remainder in the Far East; there are also staging and dispersal points in the Arctic.)

Long-range bombers: 156. 113 Tu-95 *Bear* A/B, 43 Mya-4 *Bison*.

Medium-range bombers: 503. 318 Tu-16 *Badger*, 135 Tu-22 *Blinder*, 50 Tu-22M *Backfire* B (all with ASM).

Tankers: 53. 9 Tu-16 *Badger*, 44 Mya-4 *Bison*.

ECM: 100 Tu-16 *Badger*.

Recce: 35. 4 Tu-95 *Bear*, 18 Tu-16 *Badger*, 13 Tu-22 *Blinder*.

Defensive:

Air Defence Force (*PVO-Strany*) 550,000: early warning and control systems, with 7,000 early warning and ground control intercept (EW/GCI) radars; interceptor sqns and SAM units.

Aircraft: about 2,600. Interceptors: incl some 80 MiG-17 *Fresco*, 500 Su-9 *Fishpot* B, Su-11 *Fishpot C*, 320 Yak-28P *Firebar*, 150 Tu-28P *Fiddler*, 850 Su-15 *Flagon* A/D/E/F, 400 MiG-23 *Flogger* B, 300 MiG-25 *Foxbat* A.

Airborne Warning and Control Aircraft: 10 modified Tu-126 *Moss*, 8 Il-76.

Trg ac incl 40 Su-11, 120 Su-15, 20 MiG-15, 60 MiG-17, 50 MiG-23, 50 MiG-25, 10 Yak-28.

ABM: 64 ABM-1 *Galosh*, 4 sites around Moscow, with *Try Add* engagement radars. Target acquisition and tracking by phased-array *Dog House* and *Cat House*, early warning by phased-array *Hen House* radar on Soviet borders. Range of *Galosh* believed over 200 miles; warheads nuclear, presumably MT range.

SAM:

Fixed-site Systems: some 10,000 launchers, at over 1,000 sites. SA-1 *Guild*, SA-2 *Guideline*, SA-3 *Goa*, SA-5 *Gammon*. (Development of SA-X-10 continues.)

Army: 1,825,000.

47 tk divs.

118 motor rifle divs.

8 AB divs.

Tanks: 50,000 IS-2/-3, T-10, T-10M, hy, T-54/-55/-62/-64/-72 med (most fitted for deep wading), and PT-76 lt.

AFV. 55,000 BRDM scout cars; BMP MICV; BTR-40/-50/-60/-152, OT-64, MT-LB, BMD APC.

Artillery: 20,000 100mm, 122mm, 130mm, 152mm, 180mm, and 203mm fd guns/how, 122mm, 152mm SP guns; 7,200 82mm, 120mm, 160mm, and 240mm mor; 2,700 122mm, 140-mm, 240mm multiple RL; 10,800 76mm, 85mm, and 100 mm towed and ASU-57/-85 SP ATK guns; *Swatter, Sagger, Spigot, Spandrel, Spiral* ATGW.

AA Artillery: 9,000 23mm and 57mm towed, ZSU-23-4, ZSU-57-2 SP guns.

SAM (mobile systems): SA-4 *Ganef*, SA-6 *Gainful* SA-7 *Grail*, SA-8 *Gecko*, SA-9 *Gaskin* SA-11.

SSM (nuclear capable): about 1,300 launchers (units organic to formations), incl. *FROG*, SS-21, *Scud* A/B, SS-12 *Scaleboard*.

Deployment and Strength:

Central and Eastern Europe: 31 divs: 20 (10 tk) in East Germany, 2 tk in Poland, 4 (2 tk) in Hungary, 5 (2 tk) in Czechoslovakia; 10,500 med and hy tks. (Excluding from the area tks in reserve, replaced by new ones but not withdrawn.)

European USSR (Baltic, Byelorussian, Carpathian, Kiev, Leningrad, Moscow, and Odessa Military Districts (MD)): 66 divs (about 23 tk).

Central USSR (Volga, Ural MD): 6 divs (1 tk).

Southern USSR (North Caucasus, Trans-Caucasus, Turkestan MD): 24 divs (1 tk).

Sino-Soviet border (Central Asian, Siberian, Transbaikal, and Far East MD): 46 divs (about 6 tk), incl 3 in Mongolia.

Soviet divs have three degrees of combat readiness:

Category 1, between three-quarters and full strength, with complete eqpt; Category 2, between half and three-quarters strength, complete with fighting vehicles; Category 3, about one-quarter strength, possibly complete with fighting vehicles (some obsolescent).

The 31 divs in Eastern Europe are Category 1. About half those in European USSR and the Far East are in Category 1 or 2. Most of the divs in Central and Southern USSR are likely to be Category 3. Tk divs in Eastern Europe have over 320 med tks, motor rifle divs up to 265, but elsewhere holdings may be lower.

Navy: 433,000, incl 59,000 Naval Air Force, 12,000 Naval Infantry, and 8,000 Coast Arty and Rocket Troops; 275 major surface combat ships, 248 attack and cruise-missile subs (87 nuclear, 162 diesel). A further 29 major surface combat ships and 115 attack submarines are in reserve.

Submarines, attack:

41 nuclear: 13 N-, 17 V-I-, 5 V-II-, 5 E-, 1 A-class.

138 diesel: 60 F-, 1 G-, 10 R-, 10 Z-IV-, 40 W-, 4 B-, 8 T-, 5 coastal Q-class.

Submarines, cruise missile:

45 nuclear: 1 P-class (10 unidentified msls), 15 C-class (8 SS-N-7 *Siren* each), 29 E-II (8 SS-N-3 *Shaddock* each).

24 diesel: 16 J-class (4 SS-N-3 each), 6 W-*Long Bin* (4 SS-N-3 each), 2 W-*Twin Cylinder* (2 SS-N-3 each).

Surface Ships:

2 *Kiev carriers* (43,000 tons) with SSM, SAM, SUW-N-1 SSM/ASW msl launcher, 12 VTOL ac, 20 hel (2 building).

2 *Moskva* ASW hel cruisers with SAM, SUW-N-1 launcher, 18 Ka-25 hel.

16 ASW cruisers with SAM, SS-N-14 ASM msls, 1 hel; 6 *Kara* (more building), 10 *Kresta*-II.

8 GW cruisers with SSM, SAM: 4 *Kresta*-I (with 1 hel), 4 *Kynda*.

11 cruisers: 10 *Sverdlov* (3 with SAM, 1 with hel), 1 *Chapaev* (trg).

50 ASW destroyers with SAM: 23 *Krivak*-I/-II (with SS-N-14 ASW msls, more building), 8 *Kanin*, 19 *Kashin* (5 with SSM).

50 destroyers: 4 *Kildin* (with SSM), 8 modified *Kotlin* (with SAM), 18 *Kotlin*, 20 *Skory*.

136 frigates: 20 *Mirka*, 48 *Petya*, 35 *Riga*, 32 *Grisha* (with SAM), 1 *Koni* (with SAM).

143 FAC(M)s: 18 with SSM, SAM (17 *Nanuchka*, 1 *Sarancha* hydrofoil), 125 with SSM (70 *Osa*-I, 50 *Osa*-II, 5 *Matka*).

90 FAC(P) (70 *Stenka*, 20 *Pchela* hydrofoils<).

90 FAC(T) (30 *Turya* hyrofoils, 45 *Shershen*, 15 P-6<).

124 large patrol craft (64 *Poti*, 60 SO1).

25 *Zhuk* coastal patrol craft<.

About 160 ocean minesweepers (25 *Natya*, 50 *Yurka*, 20T58, 60 T43, 5 T43/GR).

About 140 coastal and inshore minesweepers (4 *Zhenya*, 70 *Vanya*, 20 *Sonya*, 16 *Sasha*, 30 *Evgenya*<).

About 100 minesweeping boats < (8 *Ilusha*, 2 *Olya*, 20 TR40, 70 K2).

About 85 amph ships, incl 1 *Ivan Rogov*, 14 *Alligator*, 11 *Ropocha* LST (more building), 59 *Polnocny* LCT.

About 70 LCU (30 *Vydra*, 40 SMB1).

61 hovercraft (15 *Aist*, 11 *Lebed*<, 35 *Gus* <).

85 underway replenishment oilers, 40 oilers, 25 supply ships, 145 fleet spt ships.

54 intelligence collection vessels (AGI).

Ships in reserve, 10 Z-; 90 W-, 15 Q-class subs, 2 *Sverdlov* cruisers, 15 *Skory* destroyers, 12 *Riga* frigates, 35 T43 minesweepers.

Naval Air Force: some 870 combat aircraft.

30 Tu-22M *Backfire* B strike bbrs with ASM.

295 Tu-16 *Badger* C/G med bbrs with ASM.

40 Tu-22 *Blinder* C med bbrs, MR, ECM ac.

Some 30 Yak-36 *Forger* MP VTOL FGA, 30 *Fitter* C FGA.

40 Tu-16 *Badger* D/F recce. 30 Tu-16 ECM ac.

215 MR ac: 45 Tu-95 *Bear* D, 30 *Bear* F, 50 Il-38 *May*, 90 Be-12 Mail amphibians.

80 Tu-16 *Badger* tankers.

Some 275 ASW hel: 25 Mi-14 *Haze*, 250 Ka-25 A/B *Hormone*.

280 misc tpts and trainers.

Naval Infantry (Marines): 12,000.

5 naval inf regts, each of 3 inf, 1 tk bn, one assigned to each of Northern, Baltic, and Black Sea fleets, two to Pacific fleet. T-54/-55 med, PT-76 lt tks; BTR-60P, BMP-76 APC; BM-21 122mm RL; ZSU-23-4 SP AA guns; SA-9 SAM.

Coastal Artillery and Rocket Troops:

Hy coastal guns, SS-C-1B *Sepal* SSM (similar to SS-N-3) to protect approaches to naval bases and major ports.

Deployment and bases (average strengths, excluding SSBN and units in reserve):

Northern Fleet: 120 subs, 70 major surface combat ships. Severomorsk (HQ), Archangelsk, Polyarny, Severodvinsk.

Baltic Fleet: 30 subs, 50 major surface combat ships, Baltiisk (HQ), Kronstadt Tallin, Lepaia.

Black Sea Fleet (incl Caspian Flotilla and Mediterranean Squadron): 25 subs, 75 major surface combat ships. Sevastopol (HQ), Tuapse, Poti, Nikolayev.

Pacific Fleet: 75 subs, 70 major surface combat ships, Vladivostok (HQ), Nakhodka, Sovyetskaya Gavan, Magadan, Petropavlovsk.

Air Force: 475,000; about 4,350 combat aircraft. (Excluding *PVO-Strany* and Long-Range Air Force.)

Tactical Air Force: aircraft incl 60 Yak-28 *Brewer*, 220 Su-70 *Fitter* A, 1400 MiG 23/-27 *Flogger* B/D, about 1,000 MiG-21 *Fishbed* J/K/L/N, 640 Su-17 *Fitter* C/D, 230 Su-19 *Fencer* A FGA; about 250 *Beagle, Brewer*, 170 MiG-25 *Foxbat* B/D, 300 *Fishbed* recce; 60 *Brewer* E, 6 An-12 *Cub* ECM ac; 230 tpts; 3,460 hel, incl 800 Mi-1/-2, 130 Mi-4, 470 Mi-6, 1,470 Mi-8, 10 Mi-10, 580 Mi-24 *Hind;* 1,100 tac trg ac.

Air Transport Force: about 1,200 aircraft, incl 50 An-8, 560 An-12 *Cub*, 70 An-24/26 *Coke/Curl*, 130 Il-14 *Crate*, 15 Il-18 *Coot*, 2 Il-62 *Classic*, 50 Il-76 *Candid*, 60 Li-2 *Cab*, 10 Tu-104 *Camel*, 8 Tu-134 *Crusty* med, 50 An-22 *Cock* hy.

1,300 Civil Aeroflot med- and long-range ac available to supplement military airlift.

Deployment:

16 Tactical Air Armies: 4 (1,700 ac) in Eastern Europe and 1 in each of 12 MD in the USSR.

Reserves (all services):

Soviet conscripts have a Reserve obligation to age 50. Total Reserves could be 25,000,000, of which some 5,000,0000 have served in last five years.

Para-Military Forces: 460,000.

200,000 KGB border troops, 260,000 MVD security troops. Border troops equipped with tks, SP guns, AFV, ac, and ships; MVD with tks and AFV. Part-time military training organization (DOSAAF) conducts such activities as athletics, shooting, parachuting, and pre-military training given to those of 15 and over in schools, colleges, and workers' centres. Claimed active membership 80 million, with 5 million instructors and activists; effectives likely to be much fewer.

SOVIET DEFENCE EXPENDITURE

No single figure for Soviet defence expenditure can be given, since precision is not possible on the basis of present knowledge. The declared Soviet defence budget is thought to exclude a number of elements such as military R&D, stockpiling, and civil

defence—indeed some contend that it covers only the operating and military construction costs of the armed forces.

Furthermore, Soviet pricing practices are quite different from those in the West. Objectives are set in real terms with no requirement for money prices to coincide with the real costs of goods and services. The rouble cost of the defence effort may thus not reflect the real cost of alternative production forgone and, in turn, a rouble value of defence expressed as a percentage of Soviet GNP measured in roubles may not reflect the true burden.

If rouble estimates are then converted into dollars to facilitate international comparisons, the difficulties are compounded, because the exchange rate chosen should relate the purchasing power of a rouble in the Soviet Union to that of a dollar in the USA. The official exchange rate is considered inadequate for this purpose, and there is no consensus on an alternative.

An alternative approach—estimating how much it would cost to produce and man the equivalent of the Soviet defence effort in the USA—produces the index number problem: faced with the American price structure, the Soviet Union might opt for a pattern of spending different from her present one. This particular method tends to overstate the Soviet defence effort relative to that of the USA.

Accordingly, the estimates produced by a number of methods are given below, both in roubles and dollars, together with official figures for the defence budget published by the Soviet Union. Estimates produced by China are also given but their basis is not known.

Source	Price base	Defense expenditure 1970	1975	1978	1970–78 Percent annual growth rate	1970–78 Burden (percent of GNP)
Billions of roubles:						
CIA [1]	1970	40–45	50–55	55–61	4.5	11–13
Lee [2]	1970	43–49	72–79	91–101	8–10	14–15
Lee [2]	Current	43–49	67–76	88–100		
China [3]	Current	49	72.5	9.25	8.26	15+
U.S.S.R. [4]	Current	17.9	17.4	17.2	NA	NA
Billions of dollars:						
CIA [5]	1978	105	120	148	4.5	
CIA [6]	Current	66–99	105–108	148		
Lee [7]	1970	80–105	97–133	116–154	5	

[1] Estimated Soviet Defense Spending in Roubles. CIA SR 78–10121, June 1978.
[2] W. T. Lee, "Soviet Defense Expenditures in the 10th FYP", Osteuropa Wirtschaft. No. 4, 1977; W. T. Lee, The Estimation of Soviet Defense Expenditures, 1955–75: An Unconventional Approach (New York: Praeger, 1977).
[3] Peking Review, November 1975, January 1976. Extrapolation to 1978 using their growth rate.
[4] Official declared budget.
[5] A Dollar Cost Comparison of Soviet and U.S. Defense Activites 1967–1978, CIA SR 79–10002, January 1979. 1970 and 1975 figures taken from diagram.
[6] Ibid.; 1978 prices converted to current ones using wholesale price index.
[7] W. T. Lee, "Soviet Defense Expenditures" in W. Schneider and F. P. Hoeber (eds), Arms, Man & Military Budgets, issues for fiscal year 1977 (New York: Crane Russak, 1976). 1978 figures by extrapolation. ●

STATE TURNBACK AMENDMENT TO WINDFALL PROFIT TAX

● Mr. PERCY. Mr. President, sometime in the next few days during consideration of the windfall profit tax, I intend to call up an amendment (No. 682) which has important implications for each State.

It would simply use a portion of the windfall profit tax revenue to fund a declining, 5-year program of block grants apportioned to States to help offset State transportation revenue losses resulting from the decontrol of oil prices and other Federal energy conservation measures. The funds would have to be used for energy conserving projects.

This is a program of short duration, requiring no additional funding increases, limited to energy-conserving projects, and easing for States the financial disruption caused by the decontrol of oil prices. I am delighted that Senator McGOVERN has become a cosponsor.

Mr. President, in order that my colleagues can gain a better understanding of this amendment, I ask that a series of "Questions and Answers," together with a "Dear Colleague" letter, be printed in the RECORD.

The material follows:

QUESTIONS AND ANSWERS ON THE PERCY AMENDMENT TO PROVIDE GRANTS FOR ENERGY-CONSERVING TRANSPORTATION PROJECTS

1. Isn't this amendment just another form of revenue sharing?

This amendment differs from revenue sharing in several important ways. First, funds are not available for a broad array of purposes as in revenue sharing. Instead, the funds are limited to a narrow, specific use: the financing of energy-conserving transportation projects. In addition, this amendment is only temporary: it is designed to give states funding aid for a short period of time while they make the needed adjustments to their own state and local revenue mechanisms.

2. Does every State receive a portion of these funds?

Yes, funds are distributed to every state, to the District of Columbia and to Puerto Rico.

3. Doesn't the lion's share of these funds go to the most populous States to the detriment of the smaller States?

Funds are apportioned by a formula incorporating existing, established distribution factors such as area, population and highway mileage. While the most populous states generally receive larger apportionments, these states also consume the most transportation energy and thus have the greatest opportunities for major energy-conserving projects.

4. Can these funds be used for improvements to coal-impacted roads?

The amendment expressly states that the funds may be used to improve coal-impacted roads and rail-highway crossings.

5. Is this an appropriate action for the Senate to take at this time?

Yes, it is an appropriate action, given the widening gap between the cost of energy-conserving transportation projects and the ability of states to fund such projects. In 1977, I introduced and the Senate adopted an amendment very similar to that under consideration today. The major difference is that this new amendment is restricted to those transportation projects which are energy-conserving. Although the 1977 bill never became law, the need for such a program is still with us. At the time of the original amendment, the states had lost $2.3 billion in anticipated gas tax revenues as a result of declining gasoline consumption following the Arab oil embargo. Today that amount has risen to $4 billion, and the trend is expected to accelerate as additional fuel conservation measures take effect. Ultimately, states will have to adjust their revenue mechanisms to replace gas tax losses. This amendment gives them the opportunity to make such adjustments in an orderly fashion, without neglecting needed improvements to facilitate fuel conservation.

6. How will these dollars be spent?

The funds will be used for energy-conserving transportation projects. Typical types of projects include channelization of traffic; improved traffic control signalization; preferential treatment for mass transit and other high occupancy vehicles; passenger loading areas and facilities; fringe and corridor parking facilities; encouragement of car pools and van pools; resurfacing, restoring and rehabilitating Federal-aid highways; and various public transit improvements.

7. Wouldn't these funds be better spent for other more energy-efficient purposes?

While a variety of conservation efforts are needed to achieve all potential conservation opportunities, transportation, as a major consumer of petroleum, is an especially appropriate focus. Currently, transportation accounts for 55 percent of the nation's total petroleum consumption. Hence, there are extensive opportunities for reducing our petroleum consumption through a variety of transportation improvements.

8. Does this amendment create a need for more taxes beyond those raised by the windfall profits tax?

No, this amendment could be financed entirely within the revenues raised by the Windfall Profits Tax.

9. Why should the Senate consider such an amendment (i.e., what is the need for this program)?

Transportation accounts for 55 percent of the nation's petroleum use, and energy-conserving transportation projects to improve the efficiency of the transportation system can greatly contribute to the national objective of reducing petroleum consumption. However, many states can no longer afford even to maintain their existing systems in an efficient condition, much less to make additional energy-conserving improvements. Since 1974, states have lost billions of dollars in anticipated motor fuel tax revenues as a result of fuel conservation measures. This trend is expected to accelerate as additional conservation measures take effect. At the same time, the costs of transportation maintenance and improvements have skyrocketed far outstripping funding resources. This amendment would provide temporary aid to the states, giving them time to revamp their revenue structures without slashing programs and providing the wherewithal to undertake energy-conserving transportation initiatives.

10. How would the funding mechanism work?

Funds would be appropriated annually from the Windfall Profits Tax Revenues. The funds would then be apportioned quarterly to all states based on an average of existing apportionment factors for major highway programs (the Primary, Secondary, Urban, and Bridge programs).

11. What funding level is contemplated?

A total of $1.9 billion is reserved for this program, $500 million in each of the first and the second years, $400 million in the third year, $300 million in the fourth year and $200 million in the fifth year.

12. How is the distribution formula derived?

Funds are apportioned to the states based on an average of existing apportionment factors for major highway programs (the Primary, Secondary, Urban and Bridge programs). These factors are derived from such data as area, population and highway mileage. The advantage of this distribution approach is that it relies on established, well-accepted funding distribution formulas.

13. How does it work in regard to the windfall profits tax? If there is no tax, does that mean there is no turnback?

Funds would come entirely from Windfall Profits Tax revenues, so if there is no tax, there will be no block grant program.

14. Why should the revenues be specifically reserved for this program? Why not just put them in the Treasury?

The major portion of the Windfall Profits Tax revenues should be specifically earmarked for various energy-related programs. Transportation, as a major consumer of petroleum, is a particularly appropriate target for such funds since it holds so great a potential for reducing fuel consumption. In addition, because fuel conservation measures have drastically reduced state motor fuel tax revenues, it is appropriate for the Windfall Profits Tax revenues to be used to finance a temporary program of transition aid while states adjust their revenue mechanisms.

15. Are there really $1.9 billion in useful energy savings projects, or is this just a giveaway to the States?

Transportation accounts for 55% of the nation's petroleum use. Private automobiles alone account for about 34% of our total petroleum consumption. Obviously, the potential for savings in fuel consumption is substantial. The Administration has called for a transportation energy conservation program of over $1 billion per year, or more than $5 billion during the life of this amendment.

16. Shouldn't the money be designed exclusively for transit rather than just any project?

Funds in this program are earmarked for energy-conserving projects and may not be used for any other type of project. Transit is only one area of transportation where significant conservation can be obtained. The vast majority of trips even in large urban areas are made by auto, normally in an energy intensive manner, so great potential exists to dramatically reduce energy consumption through traffic and highway improvements.

17. Will projects have to meet other Federal project requirements?

Where dollars are used to match federal program dollars, federal program requirements would have to be followed.

18. Shouldn't grants go to cities rather than States since most energy-efficient projects are in urban transit and highway improvements?

The state grant approach is preferable for a number of reasons. First, not all projects for promoting energy-efficient transportation are located within the cities. Second, although cities will have important responsibilities in initiating and developing project proposals, states are in the best position to assess and prioritize projects from throughout the state. Third, dispersing the funds among the nation's nearly 280 urbanized areas could severely dilute the effectiveness of the program. Finally, a major purpose of the program is to ease the impacts of reduced motor fuel tax revenues following energy conservation measures. It is the states which are hardest hit by these reductions.

19. Wouldn't we save money by just enforcing 55 mph?

The Surface Transportation Assistance Act adopted by Congress last year contained several provisions to strengthen 55 mph enforcement. However, stricter enforcement is not the only answer. There are numerous other transportation improvements which can be made to foster fuel conservation.

20. Isn't it more important to use funds for new energy development rather than conservation efforts?

Both new energy development and energy conservation are essential to meet short and long-term national energy objectives. Because of the lead-time required to develop new energy sources, the continued conservation of existing fuel is crucial.

U.S. SENATE,
November 28, 1979.

DEAR COLLEAGUE: While federal efforts to cut gasoline waste are beginning to have the desired effect on gasoline consumption in this country, they also are beginning to impact adversely on the amount of state revenues traditionally drawn from this source. It is estimated that for every gallon saved, states lose an average of 8 cents in state revenues, with a possible loss of $20 to $30 billion nationwide through 1985. Some states are already experiencing revenue shortfalls of up to $800 million a year. Furthermore, because petroleum products have increased in cost, the states must bear an additional burden in the purchase of petroleum-based materials such as tar and asphalt used for highway maintenance and repair.

I believe that, if the Congress imposes a windfall profit tax, it should also consider reserving a portion of the money earned through the tax to alleviate this condition, as such a conservation measure would increase the fiscal pressure on states already subject to conflicting budgetary demands. The aid I am proposing to states will not mean new road construction, for I do not intend to encourage new gasoline use. But road repair is vital. If conservation means that states cannot maintain their roads, it gives them the incentive not to cooperate in implementing conservation measures.

This proposal is similar to a provision I proposed in 1977 which was adopted by the Senate during consideration of earlier energy legislation. Under that provision, the states would have been apportioned $400 million per year for four years. However, unlike the earlier Senate provision, this new proposal would require that funds be used for energy conserving projects and projects would be so certified to the Secretary of Transportation.

During consideration of the energy tax bill I will offer the attached amendments to either reserve or authorize $1.9 billion for state road repair and related programs, should the windfall profit tax bill be enacted. The program would distribute the money according to the existing formulae for noninterstate highway aid. Money would be earmarked for resurfacing, rehabilitation, and reconstruction as defined under the Highway Trust Fund. States could not construct new roads with it.

I attach both the amendments and a table showing the percent distribution by state. Please contact me or have your staff contact Chris Palmer (41462) if you wish to cosponsor, or if you would like further information.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

ESTIMATED DISTRIBUTION OF BLOCK GRANTS TO STATES

[Based on fiscal year 1980 noninterstate highway apportionments (FAP, FAS, FAU, HBRRP)]

	Percent share	1st-yr funding (millions)	5-yr total (millions)
Alabama	1.7	$8.5	$32.3
Alaska	2.5	12.5	47.5
Arizona	1.0	5.0	19.0
Arkansas	1.3	6.5	24.7
California	6.4	32.0	121.6
Colorado	1.2	6.0	22.8
Connecticut	.9	4.5	17.1
Delaware	.4	2.0	7.6
District of Columbia	.4	2.0	7.6
Florida	2.9	14.5	55.1
Georgia	2.3	11.5	43.7
Hawaii	.5	2.5	9.5
Idaho	.8	4.0	15.2
Illinois	5.3	26.5	100.7
Indiana	2.0	10.0	38.0
Iowa	2.0	10.0	38.0
Kansas	1.9	9.5	36.1
Kentucky	2.2	11.0	41.8
Louisiana	2.6	13.0	49.4
Maine	.7	3.5	13.3
Maryland	1.6	8.0	30.4
Massachusetts	2.0	10.0	38.0
Michigan	3.1	15.5	58.9
Minnesota	2.4	12.0	45.6
Mississippi	1.2	6.0	22.8
Missouri	2.2	11.0	41.8
Montana	1.0	5.0	19.0
Nebraska	1.3	6.5	24.7
Nevada	.7	3.5	13.3
New Hampshire	.6	3.0	11.4
New Jersey	2.3	11.5	43.7
New Mexico	.9	4.5	17.1
New York	6.8	34.0	129.2
North Carolina	2.4	12.0	45.6
North Dakota	.8	4.0	15.2
Ohio	3.7	18.5	70.3
Oklahoma	1.3	6.5	24.7
Oregon	1.2	6.0	22.8
Pennsylvania	4.9	24.5	93.1
Puerto Rico	.7	3.5	13.3
Rhode Island	.5	2.5	9.5
South Carolina	1.3	6.5	24.7
South Dakota	.8	4.0	15.2
Tennessee	2.3	11.5	43.7
Texas	5.4	27.0	102.6
Utah	.7	3.5	13.3
Vermont	.6	3.0	11.4
Virginia	2.5	12.5	47.5
Washington	1.9	9.5	36.1
West Virginia	1.0	5.0	19.0
Wisconsin	2.2	11.0	41.8
Wyoming	.7	3.5	13.3
Total	100.0	500.0	1,900.0

AMENDMENT NO. 682

(Purpose: To reserve funds for certain transportation purposes)

On page 97, insert the following between lines 9 and 10:

Sec. 105. Reservation of funds for payments to States for energy-conserving transportation projects.

(a) FINDINGS.—The Congress finds that—

(1) transportation is a major consumer of petroleum-based energy, and energy-conserving transportation projects to improve the efficiency of the transportation system can greatly contribute to the national objective of reducing petroleum energy consumption;

(2) transportation energy conservation efforts have severely decreased the growth of motor fuel tax revenues in fiscal years 1974 through 1979 resulting in a loss of billions of dollars in State revenues and in a projection of additional losses of billions of dollars in fiscal years 1980 through 1984;

(3) increases in costs for highway construction have far outstripped the growth of motor fuel tax revenues and are expected to continue to do so as a result of increased prices for petroleum products; and

(4) limited State motor fuel tax revenues are preventing States from adequately maintaining and preserving the existing transportation network in an energy-efficient condition and from making transportation improvements which would contribute to energy conservation.

(b) RESERVATION OF FUNDS.—The Secretary

of the Treasury shall reserve an amount not to exceed $500,000,000 for fiscal year 1980, $500,000,000 for fiscal year 1981, $400,000,000 for fiscal year 1982, $300,000,000 for fiscal year 1983 and $200,000,000 for fiscal year 1984 from the receipts of the tax imposed by section 4689 of the Internal Revenue Code of 1954 for the purposes of this section.

(c) PAYMENTS.—

(1) IN GENERAL.—The Secretary of Transportation shall make quarterly payments during each of the fiscal years 1980, 1981, 1982, 1983 and 1984 to each State in an amount equal to one-fourth of the amount which is apportioned to that State for that fiscal year under paragraph (2).

(2) APPORTIONMENT.—The Secretary of Transportation shall apportion to each State for each fiscal year an amount which bears the same ratio to the total funds made available under this section for that fiscal year as the amount apportioned to that state during that fiscal year under section 144(e) and paragraphs (1), (2), and (6) of section 104(b) of title 23, United States Code, bears to the amount apportioned to all States under such sections during that fiscal year.

(d) USE OF PAYMENTS.—A State shall use any amount received under this section only for energy-conserving transportation projects, including projects for channelization of traffic, improved traffic control signalization, preferential treatment for mass transit and other high occupancy vehicles, passenger loading areas and facilities, fringe and corridor parking facilities, and encouragement of the use of car pools and van pools; projects for resurfacing, restoring, and rehabilitating Federal-aid highways; projects for coal-impacted roads and rail highway crossings; and projects eligible under sections 3, 18 and 21 of the Urban Mass Transportation Act of 1964. For each project receiving funds under this section, the State shall certify to the Secretary of Transportation that the project is an energy-conserving project. The Secretary of Transportation shall not approve any project under this section for which the State has failed to make such certification.●

MANDATORY CONSERVATION AMENDMENT TO WINDFALL PROFIT BILL

● Mr. WEICKER. Mr. President, I am pleased to announce that Senators HART, JAVITS, and PERCY have cosponsored amendment No. 701 to H.R. 3919, the Crude Oil Windfall Profit Tax Act of 1979.

This amendment establishes a mandatory conservation program to reduce national consumption of petroleum products by at least 5 percent. The 5 percent conservation goal approximates the percentage Iranian oil imports have represented in relation to total U.S. oil consumption. The target is established to alleviate the anticipated shortage by conservation, rather than through resort to the spot market to make up the loss, which would defeat the spirit, if not the purpose, of the embargo.

The conservation program itself is adapted from title II of the Emergency Energy Conservation Act of 1979 (Public Law 96–102; enacted November 5, 1979). Title II of the act provides for an emergency energy conservation program whereby the President is authorized to establish conservation targets for each State, and each State is required to implement an approved State conservation plan. If the State plan does not meet the conservation target, then a standby Federal plan could be imposed. This standby Federal conservation plan is not related to the standby motor fuel rationing mandated by title I of the Emergency Energy Conservation Act.

Amendment No. 701 would require the President to establish a conservation target of not less than 5 percent for the reduction of petroleum products consumption. The mandated conservation targets would then be implemented in precisely the manner prescribed by title II of the Emergency Energy Conservation Act. The act itself would not be amended by the Weicker amendment, but its provisions would be incorporated into a mandatory conservation program.

Mr. President, this amendment requires mandatory conservation, but assures equity and flexibility in the implementation of the program. Two features of the mandatory conservation program which should be emphasized are:

First. Section 511 requires the President to establish monthly conservation targets of not less than 5 percent for the use of petroleum products for the Nation generally and for each State. The State targets are be computed by applying no less than a 5-percent reduction to a base period consumption of petroleum products. The base period consumption would be calculated by determining the State's petroleum consumption in the 12-month period prior to November 1, 1979 (that is, immediately prior to the takeover of the American Embassy in Tehran) as modified to reflect the trends in the State's use of petroleum products during the 3-year period prior to November 1, 1979. The President would be able to adjust the base period consumption figure to insure the objectives of section 4(b)(1) of the Emergency Petroleum Allocation Act of 1973. This is intended to protect, to the maximum extent practicable, of public health, safety, welfare, and the national defense. In addition, adjustment may be to take into account reduction in petroleum consumption already achieved, petroleum shortages which may affect petroleum consumption, and variations in weather from seasonal norms. Therefore, States which have already achieved significant conservation through State initiatives will not be penalized; likewise market distortions and adverse weather conditions will be also factored into the base period consumption figure.

Second. Section 512 requires the Governor of each State to submit a State petroleum conservation plan no later than 45 days after publication in the Federal Register of the 5-percent conservation target for that State. This date may be extended by the Secretary of Energy for good cause shown.

Each State plan must provide for a reduction in the public and private use of petroleum products. The plan may permit those affected by it to use alternative means of conserving at least as much petroleum as would be conserved under the State's program, provided the Secretary of Energy approves of the State's procedures for the approval and enforcement of the alternative. The plan must contain adequate assurances that the provisions contained in it will be effectively implemented, either by measures authorized under State law or by measures for which the governor seeks a delegation of Federal authority to administer and enforce.

Within 30 days after receipt of the State plan, the Secretary of Energy shall review the plan and approve it unless he finds that, taken as a whole, "the plan is not likely to achieve the conservation target," or is likely to impose an unreasonably disproportionate share of the restrictions on petroleum use on any segment of the economy.

The State is entrusted with the administration and enforcement of the State plan and, if a Federal measure is used in the State plan, the State must administer and enforce the measure under delegation of Federal authority.

Therefore, the States have absolute flexibility in developing a State conservation plan which will achieve the target of 5-percent reduction in consumption of petroleum products. State officials are responsible for planning, administration and enforcement of the plan provided it is fair and effective.

Mr. President, Time magazine recently made a persuasive argument for conservation of petroleum:

Though the immediate crisis facing the world is the direct responsibility of the Ayatollah Khomeini and his pseudo-government in Iran, the danger would not be nearly so grave if the U.S. had not allowed itself to become so dependent on foreign oil. Under the circumstances, there is no guarantee that economic disruption can be avoided no matter what steps the nation takes. But the best hope for avoiding real trauma is to cut consumption, conserve supplies, and, at the very least, make do with 700,000 bbl. less of crude each day. Such an effort would put some slack in worldwide petroleum supplies and help restrain prices. More important, it would also show Iran and the world that the U.S. can start breaking its addiction to the demon oil. November 26, 1979, p. 43.

Mr. President, I urge my colleagues to give careful consideration to amendment No. 701. I believe it is a constructive and productive amendment which represents an important step toward energy independence for America.

Mr. President, when I call up amendment No. 701 later this week, I intend to offer several modifications of a technical nature designed to conform the amendment more closely to the provisions of title II of the Emergency Energy Conservation Act of 1979 (PL 96–102), from which it is derived. These modifications primarily incorporate administrative provisions of that act.

Mr. President, for the information of my colleagues, I ask that the proposed modifications to amendment No. 701, along with a section-by-section analysis of the amendment as it would be modified, be printed in the RECORD.

The material follows:

PROPOSED MODIFICATIONS TO AMENDMENT NO. 701

The amendment would be modified as follows:

On page 3, line 13, after the word "establish" and before the word "monthly" on page 3, line 14, add the phrase "within 45 days after enactment of this Title".

On page 18, after line 19 and before line 20, add the following:

"(A) any State petroleum conservation target established by the President under section 511(a);".

On page 18, line 20, strike "(A)" and insert in lieu thereof "(B)".

On page 19, line 3, strike "(B)" and insert in lieu thereof "(C)".

On page 20, after line 20, add the following sections:

SEC. 516. APPLICABILITY OF OTHER PROVISIONS OF LAW.

The President may, in his discretion, invoke the provisions of section 221 of the Emergency Energy Conservation Act of 1979 (P.L. 96–102).

SEC. 517. ADMINISTRATION.

(a) INFORMATION.—(1) The Secretary shall use the authority provided under section 11 of the Energy Supply and Environmental Coordination Act of 1974 for the collection of such information as may be necessary for the enforcement of this title.

(2) In carrying out his responsibilities under this title, the Secretary shall insure that timely and adequate information concerning the supplies, pricing and distribution of petroleum products is obtained, analyzed, and made available to the public. Any Federal agency having responsibility for collection of such information under any other authority shall cooperate fully in facilitating the collection of such information.

(b) EFFECT ON OTHER LAWS.—No State law or State program in effect on the date of the enactment of this title, or which may become effective thereafter, shall be superseded by any provision of this title, or any rule, regulation, or order thereunder, except insofar as such State law or State program is in conflict with any such provision of section 513 (or any rule, regulation, or order under this part relating thereto) in any case in which measures have been implemented in that State under the authority of section 513.

SEC. 518. FUNDING FOR FISCAL YEAR 1980.

For purposes of any law relating to appropriations or authorizations for appropriations as such law relates to the fiscal year ending September 30, 1980, the provisions of this Title (including amendments made by this Title) shall be treated as if it were a contingency plan under section 202 or 203 of the Energy Policy and Conservation Act which was approved in accordance with the procedures under that act or as otherwise provided by law, and funds made available pursuant to such appropriations shall be available to carry out the provisions of this Act and the amendments made by this Act.

SEC. 519. EFFECTIVE DATE.

The amendments made by this Title shall take effect on the date of the enactment of this Title.".

SECTION-BY-SECTION ANALYSIS OF THE WEICKER AMENDMENT INCLUDING PROPOSED MODIFICATIONS

This amendment would incorporate the provisions of Parts A and E of Title II of the Emergency Energy Conservation Act of 1979 (P.L. 96–102) into a mandatory plan for the conservation of not less than five percent of the use of petroleum products.

Under the Emergency Energy Conservation Act, whenever the President finds an actual or potential severe interruption of any energy source, or that action is required to fulfill obligations of the United States under the international energy program, he may establish monthly energy conservation targets for the energy source for the nation generally and for each state. The establishment of these targets serves as a trigger for the requirements of Title II of the Act.

The Weicker amendment would trigger the requirements of Parts A and E (Energy Conservation Program and Enforcement) of Title II of the Act with regard to the use of petroleum products. Parts B (Automobile Fuel Purchase Measures), C (Building Temperature Restriction) and D (Studies) of the Act are not included in the Weicker amendment, although the amendment empowers the President, in his discretion, to invoke the provisions of Part B of the Emergency Energy Conservation Act. It should be noted that Part C, relating to building temperature restrictions, is governed not by the Emergency Energy Conservation Act but by the Energy Policy and Conservation Act, and that the study mandated by Part D has been started.

As the following section by section analysis of the Weicker amendment indicates, it tracks the language of the Emergency Energy Conservation Act in mandating a plan for the conservation of not less than five percent of the use of petroleum products.

Section 501. Findings and Purposes.

The findings and purposes show the intent of Congress to mandate conservation in the use of petroleum products in furtherance of the general welfare of the nation and to protect interstate commerce. The purposes of the title are to provide a means whereby the States and local entities are given the first opportunity to develop conservation measures. If they fail to meet the targets, then provision is made for Federal conservation measures, all aimed at protecting interstate commerce and national security.

Section 502. Definitions.

Petroleum, which is the subject of the conservation plan, is defined to include oil and oil products in all forms, including, but not limited to, crude oil, lease condensate, unfinished oil, natural gas liquids, and gasoline, diesel fuel, home heating oil, kerosene and other refined petroleum products.

Section 511. National and state conservation targets.

The President is required to establish monthly conservation targets of not less than 5 percent for the use of petroleum products for the nation generally and for each state. The state targets are to be computed by applying no less than a five percent reduction to a base period consumption of petroleum products. The base period consumption would be calculated by determining the state's petroleum consumption in the twelve month period prior to November 1, 1979 (that is, immediately prior to the takeover of the American embassy in Tehran) as modified to reflect the trends in the state's use of petroleum products during the three year period prior to November 1, 1979. The President would be able to adjust the base period consumption figure to ensure that the objectives of section 4(b)(1) of the Emergency Petroleum Allocation Act of 1973. This is intended to protect, to the maximum extent practicable, of public health, safety, welfare and the national defense. In addition, adjustment may be made to take into account reduction in petroleum consumption already achieved, petroleum shortages which may affect petroleum consumption, and variations in weather from seasonal norms.

A petroleum conservation program, designed to achieve a reduction of at least five percent in petroleum use, would be established by the President for the Federal government and for its employees in connection with their employment.

Section 512. State conservation plan.

The Governor of each state would be required to submit a state petroleum conservation plan no later than 45 days after publiction in the Federal Register of the conservation target for that state. This date may be extended by the Secretary of Energy for good cause shown.

Each state plan must provide for a reduction in the public and private use of petroleum products. The plan may permit those affected by it to use alternative means of conserving at least as much petroleum as would be conserved under the state's program, provided the Secretary of Energy approves of the state's procedures for the approval and enforcement of the alternative. The plan must contain adequate assurances that the provisions contained in it will be effectively implemented, either by measures authorized under state law or by measures for which the Governor seeks a delegation of federal authority to administer and enforce.

Within 30 days after receipt of the State plan, the Secretary of Energy shall review the plan and approve it unless he finds that, taken as a whole, "the plan is not likely to achieve the conservation target", or is likely to impose an unreasonably disproportionate share of the restrictions on petroleum use on any segment of the economy.

The state is entrusted with the administration and enforcement of the state plan and, if a Federal measure is used in a state plan, the state must administer and enforce the measure under delegation of federal authority. Violators of the requirements of a Federal measure included in a state plan will be subject to a civil penalty of up to $1,000 per violation.

Section 513. Standby Federal conservation plan.

Within 90 days after enactment of this legislation, the Secretary of Energy would be required to establish a standby federal conservation plan which would provide for not less than a five percent reduction in the public and private use of petroleum products. Like the state plans, the federal plan would have to be consistent with the attainment of the objectives of section 4(b)(1) of the Emergency Petroleum Allocation Act of 1973, thereby protecting public health, safety and welfare (including maintenance of residential heating), the national defense and maintaining public services. The federal plan would serve as a guide to the states for conservation measures deemed to be most effective in achieving the desired reduction in petroleum use, and would contain measures capable of implementation in a variety of states.

If the President finds that a state plan has been in operation for a period of time not to be less than 90 days, and the conservation target is not substantially being met and it is likely it will continue to be unmet, he could, after consultation with the state's Governor, impose all or part of the federal plan in the state. In those cases where a state does not have an approved plan or the approved plan is not being implemented as provided for in assurances given the Secretary of Energy by the state, the President may implement the federal plan after any reasonable period of time. The President is required to make available to the Congress and the public the information and analysis providing the basis for the decision to implement a federal plan in any state. These prerequisites to federal intervention are designed to encourage states to come up with their own plans in recognition of the fact that conservation can be most effectively achieved if local officials are responsible for planning administration and enforcement.

In addition, even when all or part of a federal plan has become effective in a state, the state is afforded a series of options to enable it to assume responsibility for the mandatory conservation program. The state may at any time submit a state conservation plan for consideration by the Secretary of Energy under the same conditions of approval as would have applied if the plan had been timely submitted. In the alternative, the state may substitute one or more measures under authority of state law for any federal measure in effect under the federal standby plan implemented by the President.

The Secretary of Energy is required to provide procedures for such substitution on a measure-by-measure basis for elements of the Federal plan. These substitute measures may include provisions whereby persons affected by the Federal measure are permitted to use alternative means of conserving at least as much of petroleum as would be conserved by the Federal measure. The substitute measures would be approved if they would conserve at least as much energy as would be conserved by the Federal measures and that such measures would have been approved had they been a part of a State plan submitted to the Secretary of Energy for approval. The Federal measure would cease to be effective in the state, but would be reimposed if the substitute measures are not being implemented as required.

Violators of the requirements of the federal plan would be subject to a civil penalty of up to $1,000 per violation.

Section 514. Judicial review.

A state may seek judicial review, in the appropriate federal district court, of: the conservation target established for the state; any determination by the President that an approved state plan is not achieving its assigned target; or any determination by the Secretary of Energy disapproving a state conservation plan.

Section 515. Reports.

The Secretary of Energy would be required to monitor implementation of state conservation plans and of the standby federal conservation plan, and to make recommendations for modifications to the states. The President would report annually, and make appropriate recommendations, to Congress on the petroleum savings achieved in each state and the performance of each state under this legislation.

Section 516. Applicability of other provisions of law.

This section would enable the President, on his discretion, to invoke the minimum automobile fuel purchase measures contained in Section 221 of the Emergency Energy Conservation Act of 1979. Thus, the President could establish a program restricting purchases of motor fuel in any automobile or other vehicle to certain minimum amounts without the necessity of making a finding as required by that Act. This option is afforded the President in recognition of the fact that by adopting this legislation Congress has found a need to establish a petroleum conservation target and to require the President to make such a finding would be superfluous.

Section 517. Administration.

Administrative provisions relating to the legislation are contained in this section.

Section 518. Funding for fiscal year 1980.

This section provides that for purposes of any law relating to appropriations or authorizations for appropriations for Fiscal Year 1980 the conservation program shall be treated as if it were a contingency plan under sections 202 or 203 of the Energy Policy and Conservation Act. There is no specific authorization or appropriation figure.

Section 519. Effective date.

The provisions of the amendment are to take effect on date of enactment.●

MEALS ON WHEELS

Mr. JEPSEN. Mr. President, I rise at this time to thank my Senate colleagues who cosigned a letter to Commissioner Benedict of the Administration on Aging. It is very significant that 30 U.S. Senators should join together in supporting the continued existence of private, nonprofit, voluntary Meals on Wheels programs.

Mr. President, I submit that letter for inclusion in the CONGRESSIONAL RECORD, complete with the original cosigners and the names of five Senators who expressed interest in supporting the letter subsequent to mailing.

I also submit for the RECORD a letter to Secretary Harris of the Department of Health, Education, and Welfare, requesting her attention and support in this matter.

I am confident that the support exhibited by my colleagues and the anewed concerns of the respective congressional committees will assure a favorable solution to this problem.

Mr. President, I ask unanimous consent that the material to which I made reference be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., November 16, 1979.

Hon. ROBERT BENEDICT,
Commissioner on Aging, Administration on Aging, HEW North Building, Washington, D.C.

DEAR COMMISSIONER BENEDICT: It has been brought to my attention that Section 1321.141 (b) (1) (i) of the July 31, 1979 Federal Register to the Comprehensive Older Americans Act Amendments of 1978 was composed in plain opposition to the directives of Congress. We find the ruling both incongruous in method and dangerous in content.

In limiting meals-on-wheels programs eligible for federal subsidies to only those which also operate a congregate feeding program, many private, non-profit, voluntary programs are being placed in serious jeopardy. These small community programs, that originated to meet a specific community need, have neither the capability or the desire to operate a large-scale social welfare program. The final result is the creation of a bureaucratic program which is more expansive and pays little attention to the actual needs of the nation's elderly.

The regulation effectively communicates to a community that active community concern had best give way to uniformed institutionalized governmental methods. In spite of the success of many community programs, the Administration on Aging has effectively authorized the destruction of small volunteer community programs at the local level.

The ruling is especially frustrating because it seems to have totally ignored the efforts of Congress. In discussion of the Older Americans Act Amendments of 1978, Congress clearly favored supporting the existing community programs as vehicles for effective nutritional care. Your ruling obviously discounts those programs, and replaces them with a more costly government program.

We are confident that you will reconsider the aforementioned ruling and explore the actual needs of the elderly. I hope that progress can be made to reconcile the Administration on Aging's rulings with the wishes of Congress.

Very truly yours,

Roger W. Jepsen, Rudy Boschwitz, Alan K. Simpson, S. I. Hayakawa, William S. Cohen, Pete V. Domenici, Lowell P. Weicker, Jr., Mark O. Hatfield, Milton R. Young, Charles H. Percy, Jesse Helms, Ted Stevens, James A. McClure, Jake Garn, Strom Thurmond, John W. Warner, William L. Armstrong, Robert T. Stafford, John Melcher, Edward Zorinsky, Robert Dole, Howard H. Baker, Donald W. Stewart, David L. Boren, John H. Chafee, Harrison Schmitt, Malcolm Wallop, David F. Durenberger, Barry Goldwater, and Thad Cochran.

Cosignors subsequent to mailing:

The Honorables Richard Lugar, Dale Bumpers, Orrin Hatch, Gordon Humphrey, and Jennings Randolph.

U.S. SENATE,
Washington, D.C., November 30, 1979.

Hon. PATRICIA HARRIS,
Department of Health, Education and Welfare, Hubert H. Humphrey Building, Washington, D.C.

DEAR SECRETARY HARRIS: It is my understanding that you are currently examining the final regulations of the Older Americans Act Amendments of 1978. As set forth in the Federal Register of July 31, 1979, Section 1321.141(b) (1) (i) poses a considerable threat to the private, non-profit, voluntary Meals-on-Wheels programs.

I am confident that if you examine the legislation and the supporting documents carefully, you will see that the Congressional intent was to support these programs. I have enclosed a copy of a letter recently sent to Commissioner Benedict, of the Administration on Aging, exhibiting substantial Congressional concern in this matter. In addition to the original co-signors, Senators Lugar, Bumpers, Hatch, Randolph and Humphrey have expressed interest in supporting the letter subsequent to mailing.

I urge you to develop regulations which do not unjustifiably deny federal support to Meals-on-Wheels programs, consequently forcing those programs out of existence. In the hope that you will move quickly and efficiently to remedy this situation, I will be happy to be of service to you, and will work to expedite technical amendments if that proves necessary.

Sincerely,

ROGER W. JEPSEN,
U.S. Senate.

THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 472, 473, 474, 475, and 449.

The PRESIDING OFFICER. Without objection, it is so ordered.

NAMES OF THE SENATE OFFICE BUILDINGS

The Senate proceeded to consider the resolution (S. Res. 295) to make technical changes in the names of the Senate office buildings.

Mr. ROBERT C. BYRD. Mr. President, this resolution would insert the word "Senate" immediately after the words "Richard Brevard Russell" and "Everett McKinley Dirksen," respectively, as the names of the two buildings that previously have been designated in honor of those two Senators.

So that if the resolution is adopted, the Russell Building would be known as the "Richard Brevard Russell Senate Office Building," rather than the "Richard Brevard Russell Office Building."

The same change would be made with respect to the Everett McKinley Dirksen Office Building. It would then be designated officially the "Everett McKinley Dirksen Senate Office Building."

A similar change would be made with respect to the Philip A. Hart office building, which would be designated officially the "Philip A. Hart Senate Office Building."

That is the purpose of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 295) was agreed to, as follows:

Resolved, That (a) S. Res. 296, Ninety-second Congress agreed to October 11, 1972, is amended as follows:

(1) In subsection (1) of the first section, insert the word "Senate" immediately after "Richard Brevard Russell";

(2) In subsection (2) of the first section—

(A) strike out "including any extension to such building,"; and

(B) insert the word "Senate" immediately after "Everett McKinley Dirksen".

(b) The first section of S. Res. 525, Ninety-fourth Congress, agreed to August 30, 1976, is amended by inserting the word "Senate" immediately after "Philip A. Hart".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALISON T. BANK

The resolution (S. Res. 296) to pay a gratuity to Alison T. Bank, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Alison T. Bank, daughter of John T. Taintor, an employee of the Senate at the time of his death, a sum equal to eight and one-half months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

BUDGET ACT WAIVER

The resolution (S. Res. 282) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 5269, was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 5269, a bill to authorize appropriations for the fiscal year beginning October 1, 1979, for the maintenance and operation of the Panama Canal, and for other purposes.

Such waiver is necessary because section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

The Panama Canal Act of 1979, Public Law 96–70, which required for the first time that appropriations for operation of the Panama Canal be previously authorized, was passed after May 15, 1979.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to H.R. 5269 as reported by the Committee on Armed Services.

BUDGET ACT WAIVER

The resolution (S. Res. 284) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 5168, was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 5168, a bill to extend certain expiring provisions of law relating to personnel management of the Armed Forces.

Such a waiver is necessary because section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to H.R. 5168, as reported by the Committee on Armed Services.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PANAMA CANAL APPROPRIATIONS AUTHORIZATIONS, 1980

The Senate proceeded to consider the bill (H.R. 5269) to authorize appropriations for the fiscal year beginning October 1, 1979, for the maintenance and operation of the Panama Canal, and for other purposes, which had been reported from the Committee on Armed Services with amendments as follows:

On page 2, line 2, strike "$427,262,000" and insert "$423,090,000";

On page 3, line 2, strike "and Canal Zone Government";

On page 3, beginning with line 7, strike through and including page 7, line 2, and insert in lieu thereof the following:

SEC. 3. (a) There is authorized to be appropriated from the Panama Canal Commission Fund to the Panama Canal Commission not to exceed $40,419,000, to remain available until expended, for acquisition, construction, and replacement of improvements, facilities, structures, and equipment required by the Panama Canal Commission, including—

(1) the purchase of not to exceed forty-eight passenger motor vehicles, of which twenty-eight are for replacement only;

(2) the recruitment of expert and consultant services, as authorized by section 3109 of title 5, United States Code;

(3) the improvement of facilities of other United States Government agencies in the Republic of Panama used by the Panama Canal Commission;

(4) the improvement of facilities of the Government of the Republic of Panama, used by the Panama Canal Commission, of which the United States retains use pursuant to the Panama Canal Treaty of 1977 and related agreements; and

(5) the payment of liabilities of the Panama Canal Company and Canal Zone Government incurred or outstanding for capital projects as of September 30, 1979.

(b) Of the sums appropriated pursuant to subsection (a) of this section, not more than the following amounts shall be available for the following purposes:

(1) for transit projects, $23,543,000;

(2) for general support projects, $1,733,000;

(3) for utilities projects, $935,000; and

(4) for quarters improvement projects, $1,033,000.

(c)(1) Subject to the limitations prescribed in paragraph (2), the amount that may be expended for any individual project within any category of projects contained in clauses (1) through (4) of subsection (b) may be increased above amount specified for that individual project in the budget estimate submitted to the Congress by an amount necessary to meet increased costs in such project due to inflation or other unforeseeable factors if the Board of the Panama Canal Commission has approved such increase and has notified the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Armed Services of the Senate in writing of the Commission's approval of such increase, the reasons for such approval, and the new cost estimate for the project concerned.

(2) In no event may (A) the total cost of all projects within any of the categories of projects contained in clauses (1) through (4) of subsection (b) exceed the amount authorized by law for that category, or (B) the total cost of all capital projects authorized by this section exceed the amount appropriated for such projects.

On page 9, line 21, after the period, insert the following:

Noting in this section shall be construed to limit the appropriation of funds authorized by sections 1301 and 1303(a) of the Panama Canal Act of 1979.

On page 10, beginning with line 13, insert the following:

CONTINUATION OF HEALTH SERVICES

SEC. 7. (a) During fiscal year 1980 and the transition period provided for in Article XI of the Panama Canal Treaty of 1977, the Surgeon General of the United States may provide medical, surgical, and dental treatment and hospitalization to any person at any facility of the United States within any area or installation made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements if such medical, surgical, and dental treatment and hospitalization could have been provided to such person under section 322 of the Public Health Service Act (42 U.S.C. 249) on September 30, 1979.

(b) The provisions of subsection (a) shall take effect as of October 1, 1979.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FIXING THE ANNUAL RATES OF PAY FOR THE ARCHITECT OF THE CAPITOL AND THE ASSISTANT ARCHITECT OF THE CAPITOL

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 4732.

The PRESIDING OFFICER laid before the Senate H.R. 4732, an act to fix the annual rates of pay for the Architect of the Capitol and the Assistant Architect of the Capitol.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read the

first and second time and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 4732) was ordered to a third reading, was read the third time, and passed.

ORDERS FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, orders have already been entered for the recognition of Mr. MUSKIE, Mr. ROBERT C. BYRD, and Mr. CRANSTON, on tomorrow.

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. I wish to be added on tomorrow.

ORDER FOR THE RECOGNITION OF SENATOR STEVENS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the name of Mr. STEVENS be added for recognition on tomorrow.

The PRESIDING OFFICER. Without objection it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR CHAFEE AND SENATOR WEICKER ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that preceding Mr. MUSKIE on tomorrow Messrs. CHAFEE and WEICKER be recognized for not to exceed 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR COHEN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow following the orders for the recognition of the two leaders or their designees and prior to the recognition of other Senators in accordance with the previously entered orders, Mr. COHEN be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10:30 a.m. tomorrow.

The PRESIDING OFFICER (Mr. BRADLEY). Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar beginning with the Office of the Special Representative for Trade Negotiations and proceeding through New Reports on page 2.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

The legislative clerk proceeded to read nominations on the executive calendar.

Mr. ROBERT C. BYRD. Mr. President, if the distinguished acting Republican leader has no objection, I ask unanimous consent that the aforementioned nominations be considered and confirmed en bloc.

Mr. STEVENS. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Robert D. Hormats, of Maryland, to be a Deputy Special Representative for Trade Negotiations.

INTERNATIONAL ATOMIC ENERGY AGENCY

John M. Deutch, of Massachusetts, to be a Representative of the United States of America to the 23d Session of the General Conference of the International Atomic Energy Agency.

Gerald C. Smith, of the District of Columbia, and Roger Kirk, of the District of Columbia, to be Alternative Representatives of the United States of America to the 23d Session of the General Conference of the International Atomic Energy Agency.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be notified of the confirmations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominations were confirmed, en bloc.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRUDE OIL WINDFALL PROFIT TAX ACT OF 1979

Mr. ROBERT C. BYRD. Mr. President, discussions have continued with respect to the bill H.R. 3919, the unfinished business, an act to impose a windfall profit tax on domestic crude oil.

Mr. President, I believe that the discussions thus far have been helpful. They are continuing, and I hope that they will culminate in some early action with respect to amendments on the amendments to the bill and amendments to the substitute.

I call attention to the fact that this bill, H.R. 3919, was first laid before the Senate on November 15, which was a Thursday, which means that as of last Friday the Senate began its third week on the bill. Counting from the first day on the bill, November 15, which was a Thursday, Thursday the 22d was 1 week, Thursday the 29th was a completed 2 weeks, and Friday the 30th began the third week. So we are in the midst of the third week on this bill and that sort of speaks for itself.

RECESS UNTIL 10:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the order previously entered that the Senate stand in recess until 10:15 a.m. tomorrow morning.

The motion was agreed to; and at 4:58 p.m., the Senate recessed until Tuesday, December 4, at 10:15 a.m.

NOMINATIONS

Executive nominations received by the Senate, December 3, 1979:

DEPARTMENT OF ENERGY

Leslie J. Goldman, of Illinois, to be an Assistant Secretary of Energy (International Affairs), vice Harry E. Bergold, Jr., resigned.

DEPARTMENT OF JUSTICE

Ira M. Schwartz, of Washington, to be Associate Administrator of Law Enforcement Assistance, vice John M Rector, resigned.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

John A Calhoun III, of Massachusetts, to be Chief of the Children's Bureau, Department of Health, Education, and Welfare, vice Blandina Cardenas, resigned.

THE JUDICIARY

Helen Jackson Frye, of Oregon, to be U.S. district judge for the district of Oregon, vice a new position created by Public Law 95–486, approved October 20, 1978.

James Anthony Redden, Jr., of Oregon, to be U.S. district judge for the district of Oregon, vice a new position created by Public Law 95–486, approved October 20, 1978.

Owen M. Panner, of Oregon, to be U.S. district judge for the district of Oregon, vice Otto R. Skopil, Jr., elevated.

Barbara J. Rothstein, of Washington, to be U.S. district judge for the western district of Washington, vice a new position created by Public Law 95–486, approved October 20, 1978.

IN THE NAVY

The following-named captains of the Reserve of the U.S. Navy for temporary promotion to the grade of rear admiral, in the line and staff corps, as indicated, pursuant to the provisions of title 10, United States Code, sections 5910 and 5912:

LINE

John William Cronin, Jr.
Howard Roop
Thomas Albert Stansbury
Lester Robert Smith
Michael Peter Nemchick
Carlos Paul Baker, Jr.
Donald Thomas Corrigan
Whitney Hansen
Ted Levy

MEDICAL CORPS

Joseph Hardy Miller

SUPPLY CORPS

Gerald Clayton Sullivan

JUDGE ADVOCATE GENERAL'S CORPS

Julian Robert Benjamin

CONFIRMATIONS

Executive nominations confirmed by the Senate December 3, 1979:

OFFICE OF SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Robert D. Hormats, of Maryland, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador.

INTERNATIONAL ATOMIC ENERGY AGENCY

The following-named persons to be the Representative and Alternate Representatives of the United States of America to the Twenty-third Session of the General Conference of the International Atomic Energy Agency:

Representative: John M. Deutch, of Massachusetts.

Alternate Representatives: Gerard C. Smith, of the District of Columbia; Roger Kirk, of the District of Columbia.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, December 3, 1979*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

The salvation of the righteous is from the Lord; He is their refuge in the time of trouble.—Psalms 37: 39.

O Lord, You know that our world is buffeted by fear and unrest that cause Your people to be anxious and afraid. At the beginning of this Advent season looking to the celebration of the Prince of Peace, we do not know the things that make for peace and good will. Yet, You have promised that whatever our situation You are with us. We pray with one voice for Your protection and guidance, particularly for those in bondage and for those who do not know freedom and liberty. Sustain us, O God, with the promise of peace, and enable us to use our talents and abilities in ways that bring reconciliation to people and glory to Your holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3407. An act to waive the time limitation on the award of certain military decorations to members of the Intelligence and Reconnaissance Platoon of the 394th Infantry Regiment, 99th Infantry Division, for acts of valor performed during the Battle of the Bulge; and

H.R. 5871. An act to authorize the apportionment of funds for the Interstate System, to amend section 103(e)(4) of title 23, United States Code, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 901. An act to extend the time limits contained in the industrial cost recovery moratorium provision of the Clean Water Act of 1977 (91 Stat. 1610).

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AUTHORIZING SECRETARY OF THE INTERIOR TO ENGAGE IN FEASIBILITY STUDY

The Clerk called the bill (H.R. 2757) to authorize the Secretary of the Interior to engage in a feasibility study.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

CERTIFIED MAIL AUTHORITY FOR NATIONAL LABOR RELATIONS BOARD

The Clerk called the bill (H.R. 5673) to authorize the use of certified mail for the transmission or service of matter which, if mailed, is required by certain Federal laws to be transmitted or served by registered mail, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 5673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act of June 11, 1960 (74 Stat. 200), is amended by adding at the end thereof the following new paragraph:

"(57) Section 11(4) of the National Labor Relations Act (29 U.S.C. 161(4)) is amended—

"(A) by inserting 'or certified' after 'registered' each place it appears; and

"(B) by inserting 'when' after 'mailed or'.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY D. PARKINSON FEDERAL BUILDING

The Clerk called the bill (H.R. 4532) to designate the U.S. Post Office and Federal building in Scott City, Kans., as the "Henry D. Parkinson Federal Building."

There being no objection, the Clerk read the bill, as follows:

H.R. 4532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office and Federal building located in Scott City, Kansas, is hereby designated as the "Henry D. Parkinson Federal Building". Any reference in any law, regulation, document, record, map, or other paper of the United States to such building shall be considered to be a reference to the Henry D. Parkinson Federal Building.

● Mr. LEVITAS. Mr. Speaker, I would like to lend my strong support to this legislation to designate the U.S. Post Office and Federal building in Scott City, Kans., the "Henry D. Parkinson Federal Building."

Henry Parkinson was a man whose whole life was dedicated to the conservation and development of our agriculture resources, to responsible economic growth, and to a sustained involvement in civic affairs.

This legislation is enthusiastically supported by Scott City residents. Over 15 leading civic organizations of Scott City have endorsed resolutions to name the building for Mr. Parkinson. Mr. Parkinson's influence in the development of Scott City was admirable. He worked unselfishly in local, State, and national affairs, and truly loved this country.

Honoring Henry Parkinson in this manner will encourage others to pursue the principles of community commitment, sound conservation of our agriculture resources, and responsible business practices he represented.●

● Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 4532, a bill to designate the U.S. Post Office and Federal building in Scott City, Kans., as the "Henry D. Parkinson Federal Building."

Henry D. Parkinson was born at Wellsville, Utah, on September 5, 1907, and led an active career in agriculture, banking, and politics. He died in Wichita, Kans., on June 25, 1977, after a full and productive life.

Mr. Parkinson, who had been a resident of Scott City since 1925, was owner of the Burnett-Parkinson feedlot at his farm near Scott City. He was founder, president, and chairman of the board of directors of the Security State Bank of Scott City. He was a member of the Garden National Bank board of directors in Wichita, Kans., the Kansas Bankers Association, and the Kansas and National Livestock Associations.

Along with his interest in banking and agriculture, Mr. Parkinson was active in a number of civic groups, including the Masonic Lodge, the Shire Club, the Wichita Consistory, and the Iris Temple of Salina. The political arena also held a special place in Mr. Parkinson's life. Highlights of his political career were a campaign for Congress in 1948 and a race for the governorship in 1952.

Henry Parkinson's voice was heard and respected in the highest councils of fraternal, business, agricultural, and political affairs and his advice was sought by

many. As a businessman, civic leader, politician, and local philanthropist, Mr. Parkinson earned the admiration and devotion of his neighbors. He typified the best qualities of Kansas, indeed, the national character. Unfailingly, Henry Parkinson was a man unselfishly devoted to his community and neighbors.

In recognition of his outstanding career, it is fitting to name the U.S. Post Office and Federal building located in Scott City, Kans., the "Henry D. Parkinson Federal Building." ●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1491) to designate the building known as the Federal Building, at 211 Main Street, in Scott City, Kans., as the "Henry D. Parkinson Federal Building".

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1491

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building at 211 Main Street in Scott City, Kansas (commonly known as the Federal Building) shall hereafter be known and designated as the "Henry D. Parkinson Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be held to be a reference to the Henry D. Parkinson Federal Building.

The Senate bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4532) was laid on the table.

KENNETH B. KEATING FEDERAL BUILDING

The Clerk called the bill (H.R. 4845) to designate the Federal building in Rochester, N.Y., the "Kenneth B. Keating Federal Building".

There being no objection, the Clerk read the bill, as follows:

H.R. 4845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Building at 100 State Street, Rochester, New York, shall hereafter be known and designated as the "Kenneth B. Keating Federal Building". Any reference in any law, map, regulation, document, record, or other paper of the United States to such building shall be deemed to be a reference to the "Kenneth B. Keating Federal Building".

Mr. HORTON. Mr. Speaker, I urge support of H.R. 4845, to designate the Federal building in Rochester, N.Y., the "Kenneth B. Keating Federal Building."

It is a privilege and an honor for me to be able to pay honor to a friend and colleague who served as one of my predecessors in the district which I now represent.

I knew Ken Keating for many years, from the time I first moved to Rochester, N.Y., in 1947 at which time he was the Congressman representing the district into which I moved.

Ken Keating had a distinguished and honored career as a lawyer, a soldier, a Congressman, a U.S. Senator, a jurist, as a member of the New York State Court of Appeals and as an Ambassador, having served in India and Israel.

As a soldier Ken Keating began his service to his country as a sergeant in the U.S. Army during the First World War and then as a colonel in World War II. He was promoted to the rank of brigadier general in 1948 after having been awarded the Legion of Merit with oak leaf cluster; American, European, and Asiatic theater ribbons with three battle stars and the Order of the British Empire.

He served 12 years in the House of Representatives from January 3, 1947, until 1959 where he distinguished himself as a member of the House Judiciary Committee. He was elected to the Senate of the United States and served for 6 years, where he again distinguished himself in that body.

Subsequent to his service in the Senate, he was elected to the New York State Court of Appeals in 1965 and served until his resignation in April 1969 to become the U.S. Ambassador to India. Thereafter, he served as the U.S. Ambassador to Israel which was one of his lifelong ambitions. He was highly regarded and respected by the Israelis. His death on May 5, 1975, was a great loss to our Nation.

It is fitting to his memory and to his outstanding service to his country and fellowman that the new Federal building in Rochester, which is located in my congressional district, be named after Kenneth B. Keating. I, therefore, urge the House act favorably on my bill, H.R. 4845, to designate the Federal building the "Kenneth B. Keating Federal Building."

Mr. Speaker, I withdraw my reservation of objection.

Mr. CONABLE. Mr. Speaker, I urge support of the resolution to name the Federal building in Rochester, N.Y., as the "Kenneth B. Keating Federal Building and Courthouse." Kenneth Keating represented the Rochester area in Congress for 12 years as a member of the House of Representatives and 6 years in the Senate between 1947 and 1965. Subsequent to that period he served as our country's ambassador to Israel and India and as a judge of the New York State Court of Appeals.

Ken Keating entered public service from the pinnacle of success in the legal profession. He was an outstanding figure in our community and served with distinction in all of his public offices. Ken Keating was the ultimate western New Yorker—independent, pragmatic, public spirited, with strong character and personality. He was admired by constituents and colleagues.

Senator Keating was born in 1900 in Lima, N.Y., south of Rochester, graduated from the Genesee Wesleyan Seminary there, the University of Rochester and Harvard Law School, after which he commenced the practice of law in Rochester. He served in both World Wars and was a delegate to each Republican National Convention from 1940 to 1964. The Senator passed away in 1975.

I hope the House will act favorably on this resolution so that we may honor the memory of a man who was an outstanding Member of Congress, served the country with distinction in many ways and was an admirable citizen of the community.

● Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 4845, a bill to name the Federal building in Rochester, N.Y., the "Kenneth B. Keating Federal Building."

Kenneth Keating had a distinguished and honored career as a lawyer, a soldier, a U.S. Congressman, a U.S. Senator, a jurist, as a member of the New York State Court of Appeals, and as an Ambassador, having served in India and Israel.

As a soldier, Ken Keating began his service to his country as a sergeant in the U.S. Army during the first world war and then as a colonel in World War II. He was promoted to the rank of brigadier general in 1948 after having been awarded the Legion of Merit with oak leaf cluster; American, European, and Asiatic theater ribbons with three battle stars and the Order of the British Empire.

Following World War II, Ken Keating resumed the practice of law and was a delegate to each Republican National Convention from 1940 to 1964. He was elected to the 80th Congress and reelected to the five succeeding Congresses where he served with distinction from January 3, 1947, until 1959. He was elected to the U.S. Senate for the term commencing January 3, 1959, and ending January 3, 1965. Subsequent to his service in the Senate, he was elected to the New York State Court of Appeals in 1965 and served until his resignation in April 1969 to become the U.S. Ambassador to India. Thereafter, he served as the U.S. Ambassador to Israel which was one of his lifelong ambitions. He was highly regarded and respected by the Israelis. His death on May 5, 1975, was a great loss to our Nation.

In recognition of his long and faithful public service to his country, it is appropriate and fitting to name the Federal building at 100 State Street, Rochester, N.Y., the Kenneth B. Keating Federal Building.●

● Mr. LEVITAS. Mr. Speaker, I would like to lend my strong support to this legislation to designate the Federal Building in Rochester, N.Y., the "Kenneth B. Keating Federal Building."

His list of accomplishments and his public service to the country are worthy of praise. He served as a soldier, a U.S. Congressman, a U.S. Senator, a jurist, a member of the New York State Court of Appeals, and as an Ambassador in India and Israel.

In recognition of his unparalleled service to his State and country, and his undiminished vigor in working in the peo-

ple's behalf, it is appropriate we memorialize Kenneth B. Keating by naming the Federal building in Rochester the "Kenneth B. Keating Federal Building." ●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1535) to name a certain Federal building in Rochester, N.Y., the "Kenneth B. Keating Building."

The SPEAKER. Is there objection to the request of the gentleman from California?

These was no objection.

The Clerk read the Senate bill, as follows:

S. 1535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal office building located at 100 State Street, Rochester, New York, shall herein after be known as, and is hereby designated as, the "Kenneth B. Keating Building". Any reference in any law, regulation, document, record, map, or other paper of the United States to such a building shall be considered to be a reference to the Kenneth B. Keating Building.

MOTION OFFERED BY MR. JOHNSON OF CALIFORNIA

Mr. JOHNSON of California. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. JOHNSON of California moves to strike out all after the enacting clause of the Senate bill, S. 1535, and to insert in lieu thereof the text of H.R. 4845, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to designate the Federal Building in Rochester, N.Y., the 'Kenneth B. Keating Federal Building'."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4845) was laid on the table.

FRANCES PERKINS DEPARTMENT OF LABOR BUILDING

The Clerk called the bill (H.R. 5781) to designate the building known as the Department of Labor Building in Washington, District of Columbia, as the "Frances Perkins Department of Labor Building."

There being no objection, the Clerk read the bill, as follows:

H.R. 5781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building at 200 Constitution Avenue, Northwest, in Washington, District of Columbia (commonly known as the Department of Labor Building) shall hereafter be known and designated as the "Frances Perkins Department of Labor Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be held to be a reference to the "Frances Perkins Department of Labor Building".

● Mr. LEVITAS. Mr. Speaker, I wholeheartedly support enactment of this bill, H.R. 5781, a bill to designate the Department of Labor Building at 200 Constitution Avenue NW., Washington, D.C., as the "Frances Perkins Department of Labor Building."

Passage of this legislation will honor one of the great women in American history. At a time when it was generally recognized that a "woman's place was in her home" Frances Perkins became the first woman ever to be appointed to a President's Cabinet. The appointment of Frances Perkins as Secretary of Labor in 1933 by President Franklin Delano Roosevelt symbolized the ability of women to hold the highest positions in government and society.

Frances Perkins had already distinguished herself prior to her appointment as Secretary of Labor. While waiting for a job offer after graduation from Mount Holyoke College in 1903, Perkins did volunteer social work among factory workers of Worcester, Mass. A teaching position in Lake Forest, Ill., took her west in 1904 where she learned the social meaning of trade unionism. Before Perkins returned to the East in 1907, she had been a temporary resident of Hull House and met Jane Addams and other leaders of various movements for social reform. Frances Perkins was firmly committed to a vocation as a social worker. She received her master's degree from Columbia University in 1910.

Subsequently, Perkins became Secretary of the New York Consumer League, organized to spread information about harmful industrial conditions and to lobby for social welfare legislation. On March 25, 1911, Perkins witnessed the tragic fire at the Triangle Shirtwaist Co. in which 146 young girls were killed. The Triangle focused attention in many New York City workplaces. In 1912, the city's social reform agencies formed a Committee on Safety, and Frances Perkins was appointed executive secretary. Between 1911 and 1915, the commission completely altered the New York industrial code and the State legislature enacted 36 new laws protecting workers on the job, limiting the hours of women and children, and compensating victims of on-the-job injuries.

In 1919, after she had served for 2 years as executive director of the New York Council of Organization for War Service, she was made a member of the New York State Industrial Commission. In 1921 she became director of the Council on Immigrant Education, in 1922 a member of the New York State Industrial Board and in 1926 its chairman. In 1929 Roosevelt, when he became Governor, made her Industrial Commissioner of New York State.

"Madame" Perkins, as she was known, served as Secretary of Labor under President Franklin D. Roosevelt from 1933 to 1945, longer than any other Secretary of Labor. Her tenure came during one of the most turbulent periods in American labor history as unions and management fought each other. The "conference method"—bringing together representatives of all interested groups—she adopted as one of the principal techniques of the Department of Labor for achieving its objectives.

Secretary Perkins' most important contribution was the development of old-age and unemployment insurance through the Social Security Act of 1935. She played a leading role in developing the Civilian Conservation Corps to provide work for unemployed youths. She supported the Fitzgerald Act which established standards for apprenticeship training, and the Wagner-Peyser Act, which created the U.S. Employment Service to provide job placement for the unemployed. She played an active role in developing the Works Progress Administration which made millions of temporary jobs to carry workers through the worst years of the depression.

Secretary Perkins was among the leaders of almost every New Deal social and labor law. She was an advocate of the National Labor Relations Act. In addition, she sponsored the Walsh-Healy Act of 1936 which set prevailing minimum wages, maximum hours, and safety and health standards for work performed under Government supply contracts.

President Lyndon B. Johnson, learning of her death on May 14, 1965, said:

I am deeply grieved to learn of the passing of this great woman. She was a pioneer in the field of human welfare and equal rights. Her selfless dedication to the services of others will always be an inspiration to people of compassion and good will. ●

● Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 5781, a bill to designate the Department of Labor Building in Washington, D.C., as the "Frances Perkins Department of Labor Building."

Frances Perkins was born in Boston, Mass., and brought up in Worcester. She went to Worcester Classical High School, graduated at 16 and then entered Mount Holyoke College where she majored in biology and chemistry. She was chairman of the YWCA committee and elected permanent president of her class in 1902. She later entered the University of Pennsylvania and while studying economics and sociology acted as executive secretary of the Philadelphia Research and Protective Association. Because of her work, Columbia University offered her a fellowship and she received her master's degree from the university in 1910.

Shortly afterward she became executive secretary of the New York Consumers' League which investigated industrial conditions and fought for protective legislation, especially for women and children. It was in 1911 that Frances Perkins witnessed the Triangle Shirtwaist Co., fire in which 146 girls died. She never forgot it and for the next 6 years devoted much of her time to safety legislation. In 1912 she became executive secretary of the New York Committee on Safety, a position she held until 1917. In 1921 she became director of the Council on Immigrant Education. In 1922 she became a member of the New York State Industrial Board and was appointed chairman in 1929 by Gov. Franklin Delano Roosevelt. When Roosevelt became President of the United States in 1933,

one of his first appointments was Frances Perkins as Secretary of Labor, the first woman ever to be appointed to a Presidential Cabinet.

Once in office, she assisted in strengthening the country's work force suffering from the depression. She immediately laid the groundwork for a more secure and prosperous work force. Social security insurance, unemployment compensation, minimum wage legislation, and child labor regulations were among her accomplishments. She served with distinction until 1945.

W. Willard Wirtz. Secretary of Labor under Presidents John F. Kennedy and Lyndon B. Johnson, learning of her death in 1965, said:

Every man and woman in America who works at a living wage, under safe conditions, for reasonable hours, or who is protected by unemployment insurance or social security is her debtor.

To designate the Department of Labor Building as the "Frances Perkins Department of Labor Building" is one small way to demonstrate the country's gratitude to her.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1655) to designate the building known as the Department of Labor Building in Washington, D.C., as the "Frances Perkins Department of Labor Building".

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California.

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building at 200 Constitution Avenue, Northwest, in Washington, District of Columbia (commonly known as the Department of Labor Building) shall hereafter be known and designated as the "Frances Perkins Department of Labor Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be held to be a reference to the "Frances Perkins Department of Labor Building".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 5781) was laid on the table.

WINFIELD K. DENTON BUILDING

The Clerk called the bill (H.R. 5794) to designate the building known as the Federal Building in Evansville, Ind., as the "Winfield K. Denton Building".

There being no objection, the Clerk read the bill, as follows:

H.R. 5794

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building at 101 Northwest Seventh Street, Evansville, Indiana (commonly known as the Federal Building), shall hereafter be known and designated as the "Winfield K. Denton Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be held to be a reference to the "Winfield K. Denton Building".

● Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 5794, a bill to designate the Federal Building in Evansville, Ind., as the "Winfield K. Denton Building."

Winfield K. Denton served admirably in the First World War and was commissioned a second lieutenant as an aviator in the U.S. Army Air Corps. In 1932, Winfield Denton was appointed prosecuting attorney of Vanderburgh County, Ind., where he seved two terms ending in 1936. He was subsequently elected to serve three terms in the Indiana State Legislature, where he was appointed Democratic Caucus chairman in 1939 and minority leader in 1941. His dedication to his country was highlighted when at the age of 46 he reentered the military service to serve in World War II.

Winfield Denton was elected as a Democrat to the 32d and 83d Congresses (January 3, 1949—January 3, 1953). He was unsuccessful in his efforts for reelection to the 83d Congress in 1952, however, was elected to the 84th Congress and to the five succeeding Congresses (January 3, 1949—January 3, 1967). During his eight terms in the House of Representatives he was a member of the Appropriations Committee, where his work reflected his concern for medical research on cancer, heart disease, and mental health. His work as chairman of the Subcommittee on Appropriations for the Department of Interior brought about the establishment of several national parks which we prize today.

It was my great privilege to have served many years side by side with this great servant of the State of Indiana, Winfield Denton. In view of his long and faithful public service to his country, it is appropriate to honor him by naming the Federal Building in Evansville, Ind., the "Winfield K. Denton Building."●

● Mr. LEVITAS. Mr. Speaker, I would like to lend my strong support to this legislation, H.R. 5794, a bill to designate the Federal Building in Evansville, Ind., as the "Winfield K. Denton Building."

The people of Indiana elected Winfield Denton to serve as their representative in the U.S. House of Representatives for 16 years. During that time, the record he established was one of outstanding performance, worthy of praise. Therefore, it is appropriate in commemoration of his long and faithful dedication to public service, to name the Federal Building at Evansville, Ind., the "Winfield K. Denton Building."●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the four bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. This concludes the call of the Consent Calendar.

CLEAN WATER ACT AMENDMENTS

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 901) to extend the time limits contained in the industrial cost recovery moratorium provision of the Clean Water Act of 1977 (91 Stat. 1610), with a Senate amendment to the House amendments thereto, and concur in the Senate amendment to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendments as follows:

In lieu of the matter proposed to be inserted by the House amendment to the text of the bill, insert:

That (a) subsection (b) of section 75 of the Clean Water Act of 1977 (91 Stat. 1610) is amended by striking "the last day of the eighteenth month which begins after the date of enactment of this section" and inserting in lieu thereof "June 30, 1980".

(b) Subsection (d) of section 75 of the Clean Water Act of 1977 (91 Stat. 1610) is amended by striking "eighteen-month" each place it appears and inserting in lieu thereof in each place "thirty-month".

(c) The amendments made by subsections (a) and (b) of this section shall take effect as of June 30, 1979.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HARSHA. Mr. Speaker, reserving the right to object, I shall not object if the gentleman will explain the measure he is offering.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, S. 901, as amended by the Senate would extend the moratorium for 1 year and, as provided in the House-passed bill, clarifies that there is no break in the moratorium from June 30, 1979, and the date of enactment of this legislation.

S. 901 amends section 75 of the Federal Water Pollution Control Act Amendments of 1977 and extends for 1 year, from June 30, 1979 to June 30, 1980, the moratorium on collecting industrial cost recovery payments.

In the 1977 act, the House sponsored a provision which calls for a 12-month study by the Environmental Protection Agency (EPA) of the efficiency of, and the need for, industrial cost recovery (ICR) payments. The study was to include, but not be limited to, an analysis of such payments on rural communities and on industries in economically distressed areas or in areas of high unemployment.

The House gave very specific directions as to what the study should encompass, and directly called for recommendations by EPA to accompany the study report.

In January 1979 the study was submitted to Congress. The major finding of the contractor was that ICR is ineffective in achieving its legislative purposes.

The significant findings of the contractor include:

Changes in the tax law mooted the question of the construction grant program being a subsidy to industries that participate in municipal treatment works;

User charges have had a more significant impact on water conservation practices than industrial cost recovery;

ICR has been an administrative burden for both EPA and municipalities;

ICR produces little discretionary revenue for most local governments, particularly when revenues are compared with local costs of administering ICR.

On the basis of this information, it was expected that EPA would develop recommendations as to legislative alternatives to ICR, including whether the provisions should be repealed. However, EPA decided not to endorse the contractor's recommendations and stated they would prepare a separate analysis of alternatives and recommendations. It has been almost 1 year since the study was due, and the committee has yet to receive any recommendations from EPA on substantive disposition of ICR.

In order that Congress may move expeditiously to resolve ICR, it is expected that EPA will move immediately to develop such recommendations and alternatives. It is expected that such recommendations will be formally submitted to Congress when the new session begins in January 1980.

In developing these recommendations, EPA is to take into account, among many other things:

An analysis of the impact of Federal tax laws on an industry's decision to discharge either directly or as part of a municipal system;

The combined impact of pretreatment costs and requirements, user charges, and industrial cost recovery on an industry's decision to join a municipal waste treatment works;

The net effect of amendments contained in the Federal Water Pollution Control Act Amendments of 1977: The provision allowing municipalities to modify an industry's pretreatment requirements and the provision allowing EPA to exempt from industrial cost recovery any industrial use with a flow equivalent to 25,000 gallons or less per day of sanitary waste;

The impact of abolishing ICR altogether; and

The total amount of money which can be expected to be collected through the implementation of ICR when compared with the costs of administering the system.

S. 901 extends the ICR moratorium for 1 full year—from June 30, 1979, to June 30, 1980. There is absolutely no break in the terms of the moratorium, as set out in section 75 of the Federal Water Pollution Control Act of 1977, during the period of July 1, 1979, and the date of enactment of S. 901.

Section 204(b)(1) of the act requires grantees with industry tie-ins to develop an approvable industrial cost recovery system as a condition of the grant award. This condition is not affected during the time of the moratorium. However, the administrator is expected to continue to make grants and not to withhold any funding. According to EPA regulations, EPA cannot pay more than 50 percent of the Federal grant unless the grantee has submitted adequate evidence of timely development of its system, nor more than 80 percent of such grant unless the regional administrator has approved the system. It is expected that EPA will continue this policy until either the moratorium ends or Congress legislates on ICR, whichever occurs first.

Mr. Speaker, the Subcommittee on Water Resources held a full day of hearings on this matter. We heard from the Environmental Protection Agency and representatives of industry, cities, States, and environmental groups. All witnesses unanimously supported the need to extend the moratorium on industrial cost recovery.

I urge the enactment of this necessary legislation.

Mr. HARSHA. Mr. Speaker, I reluctantly support the bill the Senate has sent to us. While an extension of the moratorium on the industrial cost recovery requirement of the Clean Water Act is vitally necessary, I doubt that S. 901 will solve our problems, only postpone them.

At the administration's request, the House has passed H.R. 4023 which extended the moratorium on ICR, imposed by the 1977 Clean Water Act, for 2 years. This was felt necessary in order to provide enough time for consideration of the recommendations which were to accompany the study on the need for industrial cost recovery mandated by section 75 of the 1977 Clean Water Act. As many will note, $500,000 has already been expended to conduct that study. However, EPA did not favor us with their recommendations, transmitting to Congress only the study without its conclusions. After the House had favorably considered H.R. 4023, EPA, in a letter dated August 9 from then Assistant Administrator Thomas Jorling, promised to forward recommendations to Congress by the end of the first session. While that date is not yet upon us because of the recent extensions of the first session, I doubt that EPA will make it. In light of that, I foresee great difficulty for Congress to adequately reflect on any administration recommendations and develop appropriate legislation. I hope that I am wrong.

Mr. Speaker, in my remarks accompanying the passage of H.R. 4023 I made note of the testimony received by the committee from the Environmental Protection Agency. At the hearing by the Subcommittee on Water Resources on this legislation, EPA stated that they would interpret the congressional intent of extending the moratorium to include extending the date by which grantees are required to have an approved ICR system. I will not take the time of the House today to reiterate the intent with respect to that issue for I feel it is adequately covered by the debate on H.R. 4023. I merely restate that nothing has changed since the passage of H.R. 4023, we support the Agency's interpretation.

Mr. Speaker, I urge the adoption of S. 901 as sent to us by the Senate and hope my colleagues will join in sending this legislation to the President.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

● Mr. CLAUSEN. Mr. Speaker, as the principal author of section 75 of the 1977 Clean Water Act which placed a moratorium on collection of industrial cost recovery payments pending a completion of a study by EPA of the efficiency of and need for the ICR requirement, I urge my colleagues to support S. 901 which extends that moratorium until June 30, 1980.

Last June the Committee on Public Works and Transportation brought to the floor H.R. 4023, an administration-requested bill which would have extended the moratorium for 2 years. It was felt necessary to have this additional time because, notwithstanding the requirements of the 1977 act, EPA had not forwarded any proposals or recommendations concerning the future of the industrial cost recovery. The Agency has still not made any ICR recommendations.

The current uncertainty over the future of ICR has caused a great deal of concern in industry and municipalities alike. While many Clean Water Act grantees have attempted to continue to develop the required ICR systems, many others have complained that they are spending time and money to develop systems that may never be used. Still other grantees have slowed or even halted the development of their systems. To further muddy the waters, approximately 1,000 approved ICR systems, less than 20 of the effected grantees have elected to collect ICR payments.

Mr. Speaker, this situation cannot be permitted to continue. Those who are required to develop ICR systems and make ICR payments must be able to act with a measure of confidence in our legislative and regulatory process. In my opinion, we owe it to those who are effected by ICR—in fact, it is our responsibility—to support S. 901 and extend the ICR moratorium until Congress has been given an adequate opportunity to reach a final decision on the future course of ICR.

And speaking of giving Congress an adequate opportunity, Mr. Speaker, let me just add one more comment. One of the major shortcomings of the Environmental Protection Agency's response to the 1977 Clean Water Act's section 75 and its requirement to study the effectiveness of the ICR provisions was the Agency's failure to make any recommendations to Congress concerning the future of the ICR provisions. This occurred despite the fact that the ICR study commissioned by EPA concluded

that the ICR provisions should be repealed. I want to make perfectly clear that, in extending this moratorium, we expect EPA to forward to us, not just alternatives, but its recommendations for the future of ICR.

It is with these thoughts in mind that I urge my colleagues to support extension of the ICR moratorium until June 30 of next year.●

Mrs. HECKLER. Mr. Speaker, while I would have preferred the House 2-year moratorium version of this industrial cost recovery legislation, I do support the Senate's preference—a 1-year moratorium during which no charges, fees or assessments would be levied.

I view these moratoria, Mr. Speaker, as way stations on the road to outright repeal of the onerous provisions of section 204(b)(1) of the Federal Water Pollution Act Amendments of 1972. I am proud to have been the principal sponsor of that legislative effort for several years.

At my insistence, those amendments were subjected to the "trial by fire" of extensive public hearings in many of the major cities of this country including Fall River in the district I have the honor to represent in this House. The ICR charges imposed on the business and industry of Fall River would damage—seriously damage—the economy of that city.

The facts gathered at those EPA hearings and the additional research material which the Agency amassed resulted in an EPA verdict that this legislation was "not effective in accomplishing its legislative purposes."

Seldom have labor, business, and the EPA been in such total agreement on an important matter of public policy.

I shall continue my efforts, Mr. Speaker, until the ICR costs and charges are completely wiped off the statute books. Hopefully, that can and will be accomplished during the second session of this, the 96th Congress.

I wish to extend my compliments to the chairman of the House Public Works Committee—the gentleman from California, Mr. HAROLD T. JOHNSON, and to the ranking minority member of that committee, Mr. HARSHA of Ohio. They have done their usual able, thorough job. And I would like to offer special thanks to my friend and colleague from California, DON H. CLAUSEN, who has been an invaluable ally in this important effort.

● Mr. JOHNSON of California. Mr. Speaker, I rise in support of S. 901. This bill amends the Clean Water Act of 1977 to extend the moratorium on collecting industrial cost recovery payments from June 30, 1979, to June 30, 1980.

I congratulate the chairman of the Subcommittee on Water Resources, Congressman RAY ROBERTS of Texas, and the ranking minority member of the subcommittee, Congressman DON CLAUSEN of California, on the continued interest and leadership which they have focused on this very pivotal provision.

The Clean Water Act called for a 12-month study, to be accompanied by recommendations, and an 18-month moratorium on collection of ICR payments. Theoretically, the Congress would have had 6 months to act on the analysis and recommendations developed by EPA. To date—almost a full year after the study was due—the Congress has yet to receive any recommendations on future imposition of ICR payments. At this point in time, even if proposals were immediately sent to Congress. It would be impossible for the matter to be resolved by the end of this session.

In order to assure that there is no disruption in the construction grants program while recommendations are developed by EPA and submitted to Congress, S. 901 would extend the moratorium for 1 full year—from June 30, 1979, to June 30, 1980. It is expected that EPA will submit its proposals on future implementation of the ICR requirement to Congress in January 1980. It is expected that these recommendations will be developed in close cooperation with the committee. In this way, when Congress is back in session, we will be able to substantively resolve this matter.

Mr. Speaker, I urge enactment of this necessary legislation.●

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. BAUMAN. Mr. Speaker, I object.

PROVIDING FURTHER EXPENSES FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 430 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 430

Resolved, That in addition to the funds authorized by H. Res. 132, and for the further expenses of investigations and studies to be conducted by the Committee on Merchant Marine and Fisheries, acting as a whole or by subcommittee, not to exceed $184,278, including expenditures for the employment of investigators, attorneys, and clerical, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed $87,500 of the total funds provided by H. Res. 132 and by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation or any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Committee on Merchant Marine and Fisheries shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. The authorization granted by the resolution shall expire immediately prior to noon on January 3, 1980.

SEC. 4. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. BRADEMAS. Mr. Speaker, House Resolution 430 provides an additional $94,074 in funds for the Committee on Merchant Marine and Fisheries so that it may complete its investigations and studies in the current session.

Among the investigations and legislative activities of the committee, Mr. Speaker, which have necessitated the additional funding provided in this resolution, are the Mexican oil well blowout, the omnibus maritime law proposal, the Panama Canal, and the Fisheries Conservation and Management Act hearings.

The original amount requested by the committee in order to complete its investigations and studies was $184,278. After consultation between the Subcommittee on Accounts and the Merchant Marine and Fisheries Committee, several steps were taken to reduce the amount to the proposed $94,074 figure. These steps included a moratorium on hiring, on purchasing and on further field hearings.

□ 1210

COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: strike out all after the resolving clause and insert:

That in addition to the funds authorized by H. Res. 132, and for the further expenses of investigations and studies to be conducted by the Committee on Merchant Marine and Fisheries, acting as a whole or by subcommittee, not to exceed $94,074, including expenditures for the employment of investigators, attorneys, and clerical, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to sections 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration, not to exceed $87,500 of the total funds pro-

vided by H. Res. 132 and by the resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation or any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Committee on Merchant Marine and Fisheries shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. The authorization granted by the resolution shall expire immediately prior to noon on January 3, 1980.

SEC. 4. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. BRADEMAS (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I thank the distinguished gentleman for yielding.

The committee amendment makes a substantial reduction in the amount of money requested by the Merchant Marine and Fisheries Committee. It is the judgment of the minority that the amendment should be supported.

However, it is unfortunate that any committee would overspend its budget as this one did. This is a perfect example of out-of-control spending on congressional staff.

I am particularly pleased that the Accounts Subcommittee is seriously attacking the runaway staff problem. The subcommittee's work on this resolution ought to be a clear signal to all committees that the belts must be tightened.

The committee amendment was agreed to.

Mr. BRADEMAS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR PRINTING AS HOUSE DOCUMENT OF STUDY ENTITLED "SOVIET DIPLOMACY AND NEGOTIATING BEHAVIOR: EMERGING NEW CONTEXT FOR UNITED STATES DIPLOMACY"

Mr. HAWKINS, from the Committee on House Administration, submitted a privileged report (Rept. No. 96-676) on the resolution (H. Res. 469) providing for the printing as a House document of the study entitled "Soviet Diplomacy and Negotiating Behavior: Emerging New Context for United States Diplomacy" which was prepared at the request of the Committee on Foreign Affairs by the Congressional Research Service of the Library of Congress, which was referred to the House calendar and ordered to be printed.

VICTOR H. PALMIERI

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, I rise to bring to the attention of my colleagues the appointment by the President of Victor H. Palmieri as the new U.S. Coordinator for Refugee Affairs. The President has also nominated Mr. Palmieri as Ambassador at Large for Refugee Affairs.

Victor Palmieri has a long and outstanding record of public service both in and out of Government and his outstanding achievements highly qualify him to oversee the Nation's refugee and humanitarian relief programs so successfully and compassionately initiated by President Carter. I am confident that he will make major contributions to America's long and splendid record of worldwide programs to alleviate the suffering caused by earthquakes, famines, and wars.

Victor Palmieri is a Californian who received his education at Stanford University and is the chief executive at the company he founded in 1969 to assist business and government in corporate reorganization and management.

After graduating from law school, he practiced with the firm of O'Melveny & Myers in Los Angeles from 1955–59, and then became vice president at the Janss Corp. at the age of 29. Only 4 years later, he became the corporation's president.

Mr. Palmieri has been a lecturer at Harvard and Stanford Universities, is a trustee of five foundations, is a director of Phillips Petroleum, and serves as chairman of Pinehurst, Inc., and the American Learning Corp.

In 1967, Victor Palmieri came to Washington as deputy director of the Kerner Commission on Civil Disorders, and he has also served on the President's Commission on White House Fellows, on the Board of Directors of the Rural Development Corporation, as a member of the National Academy of Sciences and the National Academy of Engineering.

He has also served on the California Governor's Advisory Council on Housing, the Coordinating Council on Urban Policies, the Advisory Committee to the Department of Housing and Urban Development, the Board of Directors of the New Communities Development Corporation, and on the board of directors of the California State colleges, Immaculate Heart College, and Community Television of Southern California.

Mr. Speaker, it is with pride that I welcome Victor Palmieri to his new and crucial job as Coordinator for Refugee Affairs and I extend my best wishes to him for every success as he continues to serve the people of our Nation.

OIL AND TURMOIL: WESTERN CHOICES IN THE MIDDLE EAST

(Mr. DAN DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, I believe most Members of this body will agree that there is no more significant area of the world today insofar as our national interest is concerned than the eastern Mediterranean. Recently, I have obtained a policy paper by the Atlantic Council of the United States Working Group in the Middle East on the subject of "Oil and Turmoil: Western Choices in the Middle East." I quote in part:

Turkey's geographical position, as well as its size and military power, give it prime importance both as the eastern anchor of NATO and as a guardian of the security of the Middle East. It is necessary to aid the Turks in their current economic crisis, so that they can maintain their economic stability, their democratic institutions, and the common security. Turkey's acceptance of International Monetary Fund recommendations on economic policy will make it all the more imperative that American and other aid be provided in sufficient volume both to help the country through this period of social tensions and to make it possible to tackle the long-term economic problems. The proposals currently under consideration by the United States and its allies are a necessary initial attack on the problem, although they do not strike the Working Group as large and bold enough to ensure success over the long run. Beyond the necessary emergency economic measures, the United States should expand its relations with Turkey in the political and cultural sectors, to create a mutually beneficial relationship, not based solely on the need for military facilities or listening posts but on a broad solidarity grounded in respect for past performance and confidence in future common interest.

As first one country then another succumbs to international strife and external pressure, those friends this Nation has in that area become ever more important. The Turkish people need our help and need it badly if they are to survive in the maelstrom which has been created.

Turkey is vital to American security and there is a direct relationship of mutual defense interests.

PEOPLE ARE STILL STARVING IN CAMBODIA

(Mr. SHARP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHARP. Mr. Speaker, for weeks, our attention has been riveted to the events in Iran, as well it should be. But events in another part of the world have rightfully drawn the deep concern of Americans as well. I am speaking about the tragic developments in Cambodia where death by starvation is a daily occurrence for thousands.

Little new can be said of the situation there, but here in Congress a daily vigil helps remind us of the urgent need for action.

Our Government has appropriated funds for relief; our people privately are giving generously to join with other nations to bring food and medicine to the Cambodian people. And such generosity will be required for some time because of the magnitude of the need. But these efforts remain stymied by the cruel battle for political power in Southeast Asia.

Our Government has pursued many diplomatic avenues in hopes that the humanitarian aid may rapidly flow to the sick and starving. It must be alert to every opportunity, every imaginable course, to overcome the remaining obstacles.

CAMBODIANS STILL BEING DEPRIVED OF FOOD

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I, too, would like to address the question of Cambodia to which my colleague has just referred. The situation is beyond doubt one of the most tragic and terrible. These people were subjected for a number of years, to a despot who killed without mercy, drove the city people into the country and murdered right and left.

Now they are faced with an invading army of 200,000 men from neighboring Vietnam, their historic enemy. The army is dynamiting the rice fields, burning the crops when they mature so the people cannot harvest, denying their right to fish.

What do we hear now? We hear that the food that is donated and comes in ships up the Mekong through Vietnam, receives a $10,000 tax that goes to the Vietnamese Government. We hear that the food that comes to the port of Kompong Som, which has an inadequate railway system, must come to Phnom Penh in trucks, but each truck is borrowed from the Vietnamese Army, at a cost of $3,000. We hear that the faction that governs in Phnom Penh is unwilling to allow more than a handful of foreigners to supervise distribution of the food, and is in fact storing it.

□ 1220

SACKING OF AMERICAN EMBASSY IN TRIPOLI CALLS FOR REASSESSMENT OF RELATIONS

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, the burning and sacking of our Embassy in Libya on Sunday is the latest act of terrorism, condoned by a nation-state, against the United States in the last 4 weeks. News reports indicate that members of the Libyan Armed Forces and Militia took part in this attack and luckily no American was injured. The Libyan Government has a long history of supporting terrorist movements such as the PLO, IRA Provos, Baader-Meinhoff gang, and has given sanctuary to former Ugandan dictator Idi Amin. In the light of Libya's history in fostering terrorism and being a friendly base for Soviet military activities I hope the administration will reassess its relations with Colonel Quadaffi with the view that this nation poses a major threat to peace in the Middle East by its support of terrorism, its strong anti-Sadat campaign, its irresponsible calls for using the oil weapon against us and its close ties to the Soviet Union.

Even though 10 percent of our imported oil is from Libya, and that accounts for 5 percent of our national consumption, we cannot be blackmailed into silence or forego our inherent right to self-defense against such blatant hostile acts.

CHILE

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, we are all keenly concerned about Iran. One of the major issues is the extradition which Iran has demanded of the United States and the United States has refused.

But with the extradition issue so important, I was amazed to read on one side of the front page about Iran's request and then on the other side of the page to read that the United States itself is demanding an extradition from Chile. The country of Chile has turned down our extradition request. This matter with Chile is about three citizens of Chile. Extradition is a decision which must be made and full determination should be made by each country as to its own judgment.

The State Department has no consistent policy.

The United States has the right to decide whether we extradite the Shah. The United States chose not to extradite.

Chile has the right of choice on extradition. Chile chooses not to extradite.

For the U.S. State Department to push this matter further with Chile, confirm's the world's opinion that the United States has no foreign policy. The right to extradite rests within each country for self determination. Let us once and for all close this extradition issue with Chile.

It should be the policy of our State Department that the issue of extradition is a self determination policy within each country.

SENIOR SENATOR FROM MASSACHUSETTS DISPLAYS BAD TIMING

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, I wonder if the senior Senator from Massachusetts has considered registering as an agent for the Government of Iran. His attack on the Shah made yesterday while appealing to his constituency on the left can only give renewed vigor to the militant elements in and out of Iran in their efforts to make the Shah, and not our hostages, the central issue.

The Senator's attack on nuclear energy also strengthens our critical dependence on OPEC oil, and thus gives aid and comfort to Iran in its quest for using oil as a weapon against America.

As usual, the Senator's sense of timing and direction are dead wrong.

PRACTICES OF WORLD BANK QUESTIONED

(Mr. YOUNG of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

● Mr. YOUNG of Florida. Mr. Speaker, Barron's, a national business and financial weekly, today published a news article which all Members of this House should read before voting again on any appropriations to the World Bank group.

The article reveals a number of things that Members of the House will find extremely interesting.

It reveals that soon after World Bank President Robert McNamara wrote to the House Appropriations Subcommittee on Foreign Operations promising that the World Bank group would not loan money to Vietnam in fiscal 1980, he wrote another letter to Treasury Secretary G. William Miller and apologized for writing that letter to us.

It reveals that World Bank employees are increasingly concerned over the emphasis on quantity rather than quality in approving Bank projects. It reveals that a report prepared by the World Bank Group Staff Association found that "* * * Many staff believe the Bank to be over-controlled and undermanaged." In effect, the report charges that McNamara runs the Bank in such an autocratic manner that he fails to make adequate use of the professionals on his staff.

The Barron's report also reveals that the Bank's own annual review of 98 operations, representing about $1.8 billion in loans, found that projects are frequently changed because of faulty or incomplete design, because of a change in objectives, or because of what were described as "financial reasons."

That internal bank report found that five projects had large cost overruns. Three of these were in Indonesia and one project cost five times as much as budgeted. It revealed that many questions remain about procedures used in spending money loaned to Iran, loans which have since been canceled. And it reveals that a loan to Pakistan was so hurriedly put together that the project ran 4 years behind schedule.

Mr. Speaker, the House is learning more and more about the questionable practices and problems of the World Bank. I believe many Members of this House are beginning to look on that institution with increased skepticism as a result of information that has come to light in the last 3 years as a result of the subcommittee's efforts.

Barron's has made a significant contribution to that flow of information, and I commend that publication and its reporter, Shirley Hobbs Scheibla, for this excellent example of investigative reporting.

Mr. Speaker, I will make a more detailed report and include the full text of the Barron's article later today in the Extension of Remarks section of the CONGRESSIONAL RECORD.●

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MOAKLEY) laid before the House the following communication from the Clerk of the House of Representatives:

Washington, D.C., November 30, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 10:58 a.m on Friday, November 30, 1979, and said to contain a message from the President, entitled Special Message on Paperwork Reduction.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

EXECUTIVE ORDER ON PAPERWORK REDUCTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96–234)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

In the past two and one half years, my Administration has achieved real progress in cutting the paperwork burden government imposes on the public. Today I am announcing steps to expand and accelerate that effort.

I have today signed an Executive Order on paperwork reduction. I am also calling on the Congress to enact two bills which will help eliminate needless forms, cut duplication, streamline those forms which are necessary and strengthen central oversight of Federal paperwork.

Government efficiency is a central theme of my Administration. If we are to restore confidence in government, we must eliminate needless burdens on the public. We have pursued this goal through regulatory reform, civil service reform, reorganization, and other initiatives. Paperwork reduction is an important part of this program.

Some Federal paperwork is needed. The government must collect information to enforce the civil rights laws, compile economic statistics, design sound regulations, and for many other purposes. In recent years, however, government forms, surveys and interviews have mushroomed. Much of this paperwork is unnecessary or duplicates information being collected elsewhere.

My Administration has stopped the paperwork surge and started cutting this burden down to size. We have reduced the amount of time Americans spend filling out Federal forms by almost 15%—127 million hours. That is the equivalent of 75,000 people working full-time for a year. We have evaluated the 520 recommendations of the Paperwork Commission and have already implemented more than half of them.

The Internal Revenue Service made it possible, for example, for five million taxpayers to switch from the long tax form to the short one. The Occupational Safety and Health Administration exempted 40,000 small businesses from reporting requirements. The Interstate Commerce Commission sliced a 70-page report required from 13,000 carriers down to 8 pages. The Labor and Treasury Departments slashed the paperwork burden that was crushing the small pension plans. I am today announcing that we are consolidating three reports required from the States on welfare and food stamp programs; this will eventually save 500,000 hours and $10 million per year.

The progress in cutting Federal paperwork has been substantial, but we must do more. Congress is enacting new requirements in energy, environmental protection, and other programs that will add to the paperwork burden. To continue our success in eliminating Federal paperwork, we need the broad management program I am announcing today.

The Executive Order I have signed establishes strong management tools for the Executive agencies. First of all, it creates a "paperwork budget." Each agency will submit an annual estimate of the numbers of hours required to fill out all its forms. The Office of Management and Budget will then hold agencies to that total or order it cut. The process will be similar to the spending budget; it will give agencies incentives to set priorities and to eliminate or streamline burdensome forms.

The Order creates a Federal Information Locator System, which will list all the types of information collected by Federal agencies. Before an agency collects information, it will check in this System to see if another agency already has the data.

The Order also requires agencies to consider the special paperwork problems of small organizations and small businesses. Data gathering that may be easy for a corporation with computerized records may be very costly for a small business person who keeps records by hand. Some reports must necessarily be universal and uniform, but in many cases agencies can meet their information needs while providing exemptions or less burdensome reports for small businesses. Some agencies already have started doing so. The Executive Order requires all agencies to review each form to identify those cases where small organizations can be exempted or given simpler forms. Senator JOHN CULVER deserves credit for leading the development of this concept of special consideration for small organizations.

Finally, the Order mandates a "sunset" process. This process will be similar to the legislation I am supporting to mandate sunset reviews for regulations, spending programs, and tax expenditures. The Paperwork Order requires that each form terminate every five years unless a new decision is made to continue it.

We also need legislation to build a complete paperwork control program and extend it to all agencies. Representatives JACK BROOKS, FRANK HORTON, and TOM STEED and Senator LAWTON CHILES have taken the lead in developing a Paperwork Reduction Act which will strengthen and unify existing paperwork oversight. The Federal Reports Act is insufficient in this regard. It gives OMB power to disapprove many agencies' forms, but the independent regulatory commissions are reviewed by the General Accounting Office and tax, education, and health manpower programs have no central review at all. These loopholes represent 81% of the total paperwork burden, of which tax forms are 73%.

This legislation will close these loopholes, providing central oversight for all forms. It also strengthens the paperwork clearance process by allowing members of the public to refuse to fill out forms that have not been properly cleared.

The legislation will provide additional tools to cut duplication in paperwork requirements. When several agencies want to collect overlapping data, the bill will empower the OMB to assign one agency to do the job. The bill will also deal with the special problems of statistical systems. One cause of duplication is that agencies collect statistical data under pledges of confidentiality, and

these pledges hamper sharing the data. The bill will authorize such sharing while strengthening safeguards to ensure the data is used only for statistical purposes and never to abuse personal privacy. These provisions will also strengthen our Federal statistical systems, which are crucial to economic and other policymaking.

While controlling the paperwork imposed on the public, we must also hold down paperwork within the Government itself. I am therefore submitting to the Congress the Reports Elimination Act of 1979. This bill, together with administrative action we are taking now, will eliminate or simplify 278 annual agency reports, saving at least $5.5 million per year.

This overall paperwork reduction program has been developed in a cooperative effort with the leaders of the Senate Governmental Affairs and House Government Operations Committees. Working together, we will continue the progress on cutting away red tape.

I urge the Congress to act promptly on the two bills I have discussed.

JIMMY CARTER.

The WHITE HOUSE, *November 30, 1979.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to, under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

Such rollcall votes, if postponed, will be taken on Tuesday, December 4, 1979.

CIVIL AUTHORIZATION ACT OF 1979

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5138) to authorize certain appropriations to the Office of Personnel Management, the Merit Systems Protection Board, the Special Counsel of the Merit Systems Protection Board, and the Federal Labor Relations Authority, as amended.

The Clerk read as follows:

H.R. 5138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Civil Service Authorization Act of 1979".

OFFICE OF PERSONNEL MANAGEMENT

SEC. 2. There are authorized to be appropriated to the Office of Personnel Management for each of the fiscal years 1981 and 1982—

(1) not to exceed $114,000,000 for salaries and expenses; plus

(2) such additional sums as may be necessary for—

(A) increases in pay and related expenses required by any adjustment to rates of pay which occurs under section 5305 of title 5, United States Code, after September 30, 1979;

(B) increases in payments to the Administrator of General Services required by any increase which occurs after September 30, 1979, in charges for space and services under section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490); and

(C) increases in payments to the United States Postal Service under section 3206 of title 39, United States Code, for matter sent in the mails which is necessary for the basic operation of the programs of the Office if the increases are required because of any increase in postage rates which occurs after September 30, 1979.

MERIT SYSTEMS PROTECTION BOARD

SEC. 3. There are authorized to be appropriated to the Merit Systems Protection Board for each of the fiscal year 1981 and 1982—

(1) not to exceed $15,000,000 for salaries and expenses; plus

(2) such additional sums as may be necessary for—

(A) increases in pay and related expenses required by any adjustment to rates of pay which occurs under section 5305 of title 5, United States Code, after September 30, 1979;

(B) increases in payments to the Administrator of General Services required by any increase which occurs after September 30, 1979, in charges for space and services under section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490); and

(C) increases in payments to the United States Postal Service under section 3206 of title 39, United States Code, for matter sent in the mails which is necessary for the basic operation of the programs of the Authority if the increases are required because of any increase in postage rates which occurs after September 30, 1979.

SPECIAL COUNSEL OF THE MERIT SYSTEMS PROTECTION BOARD

SEC. 4. There are authorized to be appropriated to the Special Counsel of the Merit Systems Protection Board for each of the fiscal years 1981 and 1982—

(1) not to exceed $8,000,000 for salaries and expenses; plus

(2) such additional sums as may be necessary for—

(A) increases in pay and related expenses required by any adjustment to rates of pay which occurs under section 5305 of title 5, United States Code, after September 30, 1979;

(B) increases in payments to the Administrator of General Services required by any increase which occurs after September 30, 1979, in charges for space and services under section 210 of the Federal Property and Administrative Services Act (40 U.S.C. 490); and

(C) increases in payments to the United States Postal Service under section 3206 of title 39, United States Code, for matter sent in the mails which is necessary for the basic operation of the programs of the Special Counsel if the increases are required because of any increase in postage rates which occurs after September 30, 1979.

FEDERAL LABOR RELATIONS AUTHORITY

SEC. 5. There are authorized to be appropriated to the Federal Labor Relations Authority for each of the fiscal years 1981 and 1982—

(1) not to exceed $15,000,000 for salaries and expenses; plus

(2) such additional sums as may be necessary for—

(A) increases in pay and related expenses required by any adjustment to rates of pay which occurs under section 5305 of title 5, United States Code, after September 30, 1979;

(B) increases in payments to the Administrator of General Services required by any increase which occurs after September 30, 1979, in charges for space and services under section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490); and

(C) increases in payments to the United States Postal Service under section 3206 of title 39, United States Code, for matter sent in the mails which is necessary for the basic operation of the programs of the Office if the increases are required because of any increase in postage rates which occurs after September 30, 1979.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 6. (a) Chapter 11 of title 5, United States Code relating to the Office of Personnel Management, is amended by adding at the end thereof the following new section:

"§ 1106. Annual authorizations

"Except as otherwise expressly provided under this title, appropriations for the Office of Personnel Management for any fiscal year beginning after September 30, 1980, shall be considered to be authorized only to the extent expressly provided by statute for the fiscal year involved.".

(b) Chapter 12 of such title 5, relating to the Merit Systems Protection Board, is amended by adding at the end thereof the following new section:

"§ 1210. Annual authorizations

"Appropriations for the Merit Systems Protection Board and the Special Counsel for any fiscal year beginning after September 30, 1980, shall be considered to be authorized only to the extent expressly provided by statute for the fiscal year involved.".

(c) Section 7104 of such title, relating to the Federal Labor Relations Authority, is amended by adding at the end thereof the following new subsection:

"(g) Appropriations for the Authority for any fiscal year beginning after September 30, 1980, shall be considered to be authorized only to the extent expressly provided by statute for the fiscal year involved.".

(d) (1) The table of sections for chapter 11 of such title 5 is amended by inserting after the item relating to section 1105 the following new item:

"11.06. Annual authorizations.".

(2) The table of sections for chapter 12 of such title 5 is amended by inserting after the item relating to section 1209 the following new item:

"1210. Annual authorizations.".

(e) (1) Section 903 of the Civil Service Reform Act of 1978 (5 U.S.C. 5509 note) is repealed, effectively with respect to fiscal years beginning after September 30, 1980.

(2) The table of contents for the Civil Service Reform Act of 1978 is amended by striking out the item relating to section 903.

REPORT TO CONGRESS

SEC. 7. (a) (1) Not later than January 31 of each year the Office of Personnel Management shall transmit to each House of the Congress a report describing each contract entered into by an executive agency (as defined in section 105 of title 5, United States Code) during the fiscal year ending September 30 preceding the transmittal of such report for—

(A) the performance of any personnel management function; or

(B) training, research, development, or

evaluation relating to any personnel management function.

(2) For the purpose of this subsection, "personnel management function" includes performance evaluation, position classification, and labor management relations, but does not include, with respect to any executive agency, any personnel management function for which the Office of Personnel Management has no responsibility.

(b) Each report required under subsection (a) shall include, with respect to each contract described, detailed information concerning—

(1) the parties to the contract,

(2) the cost of the contract,

(3) the cost which would have been incurred if the functions contracted for had been performed directly by an executive agency,

(4) the number of full-time employees which would have been required to perform the functions contracted for if those functions had been performed directly by an executive agency, and

(5) if the cost reported under paragraph (2) with regard to any contract exceeds the cost reported under paragraph (3) regarding that contract—

(A) the authority for entering into the contract,

(B) the reason for entering into the contract, and

(C) whether the personnel and expertise required to perform the functions contracted for were available within any executive agency or the Office of Personnel Management.

(c) In addition to the information required under subsection (b), each report transmitted under subsection (a) shall set forth for the fiscal year involved—

(1) the total number of contracts required to be reported,

(2) the total cost of all such contracts,

(3) the total number of full-time employees which would have been required to perform the functions contracted for if the functions had been performed directly by executive agencies, and

(4) a description of each personnel management function, with respect to each executive agency, for which the Director of the Office of Personnel Management has determined the Office has no responsibility.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. COURTER) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, H.R. 5138 places the civil service agencies of the Federal Government on limited duration authorizations for specific sums of money. In so doing, it places the Office of Personnel Management (OPM), the Merit Systems Protection Board (MSPB), the Office of the Special Counsel (OSC), and the Federal Labor Relations Authority (FLRA) on the same basis as the Department of Defense, the Department of Energy, and the Department of State. Each of these Cabinet departments are provided with the funds they need to operate by virtue of an expiring authorization. Unless a reauthorization is passed at the appropriate time, each of these essential agencies of Government would cease to exist. The fact of the matter is, however, that reauthorization legislation is routinely passed. Why, then, do I support placing the civil service agencies on such limited authorizations?

The answer is that authorizations of limited duration force Congress to scrutinize the operations of the agencies on a periodic basis. I have learned over my 7 years in Congress and during my 5 years as a subcommittee chair that oversight is low-priority work. The press of pending legislation forces us to place systematic investigation of Federal agencies on a back burner. Around here, once something is on the back burner, it never again receives the attention it deserves. A periodic authorization marshalls the pressure of having to move legislation into the service of needed oversight.

In this way, H.R. 5138 works on the same theory as sunset legislation. The difference is that each authorizing committee, in the case of sunset legislation, would be subject to an arbitrary and externally imposed schedule for review. In the case of this bill, the Post Office and Civil Service Committee has determined that a 2-year review cycle is appropriate at the beginning. The next time we reauthorize these agencies, as we may well decide that less-frequent reauthorization is appropriate.

In drafting H.R. 5138, the committee authorized each of the civil service agencies only for the amount of money definitely needed. We tried to keep the total authorized levels very close to what the President had recommended. For the most part, we succeeded. The vast majority of the civil service moneys go to the Office of Personnel Management, which can be best understood as the central personnel manager of Government. We held OPM to its current expenditure level of $115 million a year. The three "employee protection" agencies, MSPB, OSC, and FLRA, were all grossly underfunded in the President's request. The Appropriations Committee learned of this problem and substantially increased funding for these agencies. Due to the swelling workload of these units, however, the level set by the Appropriations Committee will not be adequate for future years. For this reason, the committee recommends an increase of about $9.5 million in the total budgets of these agencies.

It seems to me that this bill is needed, desirable, and fiscally responsible. I thought that legislative oversight was a noncontroversial goal. I have been surprised to find, however, that there is at least one member of this body who has problems with the concept. This surprise was intensified by the fact that no one raised any objections during the markup of the legislation in committee.

Nevertheless, let me answer some of the late-in-coming arguments raised by the critic of this legislation. First, H.R. 5138 is necessary to assure that the Civil Service Reform Act of 1978 works. All too often, Congress has passed a major program, closed its eyes to implementation, and then learned of the program's demise. I do not want that to happen to the Reform Act. I voted for it and I want it to work. Only by watching implementation, can Congress assure that the act is properly carried out. H.R. 5138 serves that purpose.

Second, it is foolish in the extreme to say that oversight is premature. It is now that major decisions about the implementation of the act are being made. It is now that agencies and employees will determine whether the new performance appraisal system is meaningful or meaningless. It is now that performance standards are being set on which merit pay and Senior Executive Service bonuses will be based. It is now that the Merit Systems Protection Board will either establish or undercut its own credibility. If this is not the time for congressional scruitiny, I do not know what is.

Third, at no time during consideration of the Reform Act last year was there any discussion about the permanent authorization contained in the bill the administration sent up. With all the other meaty, substantive issues to consider, we just plain missed the issue of the length and type of authorization. It is, therefore, misleading to claim that Congress considered the question last year and made a deliberate decision.

Mr. Speaker, H.R. 5138 is significant reform legislation which will not disrupt the operations of Federal agencies and will not cost any additional money. All it will do is force Congress to be accountable for the program it created. Because I believe in legislative accountability, I urge support for this legislation.

□ 1230

Mr. COURTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the question before the House today is whether it is necessary to make a major change in the recently enacted Civil Service Reform Act of 1978, as is proposed in H.R. 5138.

This legislation imposes a 2-year expiring authorization and further, fixes the level of funding under that authorization 2 years in advance.

This is a sharp departure from the decision made by the House just 1 year ago when it decided to provide unexpiring authorization of funds for the administration of that act. Implementation of the comprehensive reform package requires time, and the respective agencies must be allowed some flexibility.

In testimony before our committee, the effected agencies, except the special counsel, felt it was inappropriate to apply the sunset principle to the particular agency they represented.

Mr. Speaker, legislative oversight is a proper and valuable tool of the legislative process, but we also need to be fair in allowing these newly created agencies to perform as the Civil Service Reform Act intends them to perform. It may be far too early for the type of tinkering this legislation would encourage.

It is generally recognized the Civil Service Reform Act is being implemented and administered in a very efficient fashion. It is my hope this landmark legislation will be given every opportunity to succeed. We in the Congress have

the responsibility to assure that it not only receives the necessary funds to operate but that we do nothing to hinder its successful implementation.

Mr. Speaker, as indicated before, some people may have reservations with regard to this legislation because of the 2-year expiring authorization and further because of the fact that it fixes the level of funding under that authorization for 2 years. On balance, however, I think it is needed legislation, obviously. It is a reasonably good piece of legislation, and the minority has no serious reservations.

● Mr. HARRIS. Mr. Speaker, the Civil Service Authorization Act (H.R. 5138) authorizes the Office of Personnel Management (OPM) and the other personnel agencies established by the Civil Service Reform Act (P.L. 95–454). This bill contains language which I introduced as an amendment in subcommitte, and which was approved by the full Post Office and Civil Service Committee, to require that this Congress be told about the millions of dollars being spent by the executive branch in contracts in the area of personnel management.

I introduced this amendment because of the lack of accountability in the executive branch in the area of contracting. OPM is supposed to be the personnel management arm of the executive branch and yet when the Department of Energy contracted to write position descriptions—a contract that should never have been let—OPM said it was not their responsibility to know about such contracts.

Last July, Alan Campbell, director of OPM, testified in hearings before my subcommittee that contracts were being let by agencies to design performance-appraisal systems for the senior executive service. He could not tell me how many, how much they cost, whether several agencies were contracting with the same firms, and paying 2 or 3 times for the same work. We have just determined that the Department of Navy is planning to issue $10 million in contracts for development of performance-appraisal systems—enough to fund the entire commission on Civil Rights or the Federal Maritime Commission for a full year.

It is time for someone to be accountable. This bill will make OPM accountable. It will provide Congress with the information necessary for oversight.

The bill requires an annual report to Congress, by OPM, describing each contract entered into by an executive agency in the area of personnel management.

In addition to information about the cost, both by contract and in-house to perform the function, the report must state the reason for entering into any contract which is not cost-effective. It must also state the authority for entering into a contract which is not cost-effective.

The annual report would also provide total figures for these contracts on the number, cost, and number of full-time employees who would have been required to perform the functions contracted for if the functions had been performed by the agencies.●

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time, and I yield back the remainder of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the bill, H.R. 5138, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill H.R. 5138.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

RECREATIONAL BOATING FUND ACT OF 1979

Mr. BIAGGI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4310) to amend the Federal Boat Safety Act of 1971 to improve recreational boating safety and facilities through the development, administration, and financing of a national recreational boating safety and facilities improvement program, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—RECREATIONAL BOATING SAFETY AND FACILITIES IMPROVEMENT

SEC. 101. This title may be cited as the "Recreational Boating Safety and Facilities Improvement Act of 1979".

SEC. 102. The Federal Boat Safety Act of 1971 (Public Law 92–75, 85 Stat. 213), as amended, is amended as follows:

(1) In section 2 by striking the first sentence and inserting in lieu thereof the following: "It is declared to be the policy of Congress and the purpose of this Act to improve recreational boating safety and facilities and to foster greater development, use, and enjoyment of all the waters of the United States by encouraging and assisting participation by the several States, the boating industry, and the boating public in the development, administration, and financing of a national recreational boating safety and facilities improvement program; by authorizing the establishment of national construction and performance standards for boats and associated equipment; and by creating more flexible authority governing the use of boats and equipment.".

(2) In section 3—

(a) by striking clauses (10) and (11) and inserting in lieu thereof the following:

"(10) 'United States' and 'State' include the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory or possession over which the United States has jurisdiction.

"(11) 'Eligible State' means a State that has a State recreational boating safety and facilities improvement program that has been accepted by the Secretary."; and

(b) by adding the following new clauses:

"(12) 'Recreational boating safety program' means education, assistance, and enforcement activities conducted for the purpose of boating accident or casualty prevention, reduction, and reporting.

"(13) 'Recreational boating facilities' means public facilities that create, or add to, public access to the waters of the United States to improve their suitability for recreational boating purposes, including such ancillary facilities as are necessary to insure the safe use of those facilities.

"(14) 'Fund' means the National Recreational Boating Safety and Facilities Improvement Fund established by title II of this Act.".

(3) Section 25 is amended to read as follows:

"NATIONAL RECREATIONAL BOATING SAFETY AND FACILITIES IMPROVEMENT PROGRAM

"SEC. 25. (a) In order to encourage greater State participation and uniformity in boating safety and facility improvement efforts, and particularly to permit the States to assume the greater share of boating safety education, assistance, and enforcement activities, the Secretary shall implement and administer a national recreational boating safety and facilities improvement program. Under this program, the Secretary may allocate and distribute funds to eligible States to assist them in the development, administration, and financing of State recreational boating safety and facilities improvement programs. The Secretary shall establish guidelines and standards for this program. In doing so, he shall—

"(1) consider, among other things, factors which affect recreational boating safety by contributing to overcrowding and congestion of waterways, such as the increasing number of recreational boats using those waterways and their geographic distribution, and the availability and geographic distribution of recreational boating facilities within and among applying States, as well as State recreational boating casualty and fatality statistics;

"(2) consult with the Secretary of the Interior so as to minimize duplication with the purposes and expenditures of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4) and with the guidelines developed thereunder; and

"(3) maintain environmental standards consistent with the Coastal Zone Management Act of 1972 (16 U.S.C. 1451–1464)) and other Federal laws and policies intended to safeguard the ecological and esthetic quality of our Nation's waters and wetlands.

"(b) A State whose recreational boating safety and facilities improvement program has been accepted by the Secretary shall be eligible for either full or partial allocation and distribution of funds under this Act to assist that State in the development, administration, and financing of its State program. Matching funds shall be allocated and distributed among eligible States by the Secretary in accordance with section 26 of this Act.".

(4) Section 26 is amended to read as follows:

"PROGRAM ACCEPTANCE AND ALLOCATION OF FUNDS

"SEC. 26. (a) The Secretary, in accordance with this section and such regulations as he may promulgate, may allocate and distribute funds from the fund to any State that has an accepted State recreational boating safety and facilities improvement program, if the State demonstrates to his satisfaction that—

"(1) the program submitted by that State is consistent with the purposes of this Act;

"(2) the program submitted by that State was developed in consultation with State officials responsible for the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4) and for any program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451–64).

"(3) funds distributed will be used to develop and administer a State recreational boating safety and facilities improvement program containing the minimum requirements set forth in subsection (b) of this section; and

"(4) sufficient State matching funds are available from either general revenue, boat registration and license fees, State marine fuels taxes, or from a fund constituted from the proceeds of such a tax and established for the purpose of financing a State recreational boating safety and facilities improvement program. No Federal funds from other sources may be used to provide a State's share of the costs of the program described under this section, nor may any State matching funds committed to a program under this Act be used to constitute the State's share of matching funds required by any other Federal program.

"(b) The Secretary shall accept a State recreational boating safety and facilities improvement program that includes—

"(1) a vessel numbering system, either approved or administered by the Secretary under this Act. An approved State vessel numbering system is necessary for full eligibility for Federal funds allocated and distributed under this section;

"(2) a cooperative boating safety assistance program with the Coast Guard in that state;

"(3) sufficient patrol and other activity to insure adequate enforcement of applicable State boating safety laws and regulations;

"(4) an adequate State boating safety education program;

"(5) the designation of a State lead authority or agency, which would implement or coordinate the implementation of the State recreational boating safety and facilities improvement program supported by Federal financial assistance in that State, including the requirement that the designated State authority or agency submit required reports that are necessary and reasonable for a proper and efficient administration of the program and that are in the form prescribed by the Secretary; and

"(6) a facilities improvement program describing boating facility projects, including but not limited to: acquisition of title, or any interest in riparian or submerged land; and capital improvement of riparian or submerged land for the purpose of increasing public access to the waters of the United States, and such ancillary facilities as are necessary to insure the safe use of those facilities.

"(c) Allocation and distribution of funds under this section is subject to the following conditions:

"(1) Of the total funds available for allocation and distribution, one-third shall be allocated each year for recreational boating safety programs and two-thirds shall be allocated for recreational boating facilities improvement programs.

"(2) Of the funds available for allocation and distribution for recreational boating safety programs, one-third shall be allocated equally among eligible States. One-third shall be allocated so that the amount each year to each eligible State will be in the same ratio as the number of vessels numbered in that State, under a numbering system approved under this Act, bears to the number of vessels numbered in all eligible States. The remaining one-third shall be allocated so that the amount each year to each eligible State shall be in the same ratio as the State funds expended or obligated for the State boating safety program during the previous fiscal year by a State bears to the total State funds expended or obligated for that fiscal year by all eligible States for State recreational boating safety programs.

"(3) Of the funds available for allocation and distribution for recreational boating facilities improvement programs, one-third shall be allocated each year, equally among eligible States. One-third shall be allocated so that the amount each year to each eligible State will be in the same ratio as the number of vessels numbered in that State bears to the number of vessels numbered in all eligible States. The remaining one-third shall be allocated so that the amount each year to each eligible State shall be in the same ratio as the State funds expended or obligated by the State for a recreational boating facilities improvement program approved under the Act during the previous fiscal year by a State bears to the total State funds expended or obligated for that fiscal year by all eligible States for recreational boating facilities improvement programs.

"(4) The amount received by any State under this section in any fiscal year may not exceed one-half of the total cost incurred by that State in the development, administration, and financing of that State's recreational boating safety and facilities improvement program in that fiscal year.

"(5) No allocation or distribution of funds under this section may be made to any State for the maintenance of boating facilities under an approved State recreational boating safety and facilities improvement program.

"(6) The Secretary is authorized to expend from the funds available for allocation or distribution in any fiscal year those sums, not to exceed two percent of the funds available, as are necessary for the administration of this Act."

(5) Section 27 is repealed.

(6) In section 28 by striking subsections (a) and (d) and redesignating subsections (b) and (c) as (a) and (b), respectively.

(7) In section 29 by adding, following the words "boating safety", the words "and facilities improvement" and following the words "costs of" the first time they appear, the word "land,".

(8) Section 30 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR STATE RECREATIONAL BOATING SAFETY AND FACILITIES IMPROVEMENT PROGRAMS

"SEC. 30. For the purpose of providing financial assistance for State recreational boating safety and facilities improvement programs, there is authorized to be appropriated from the National Recreation Boating Safety and Facilities Improvement Fund $30,000,000 for each of the fiscal years beginning with fiscal year 1981 through fiscal year 1983, those appropriations to remain available until expended.".

(9) Section 31 is amended—

(a) in subsection (a) to read as follows:

"(a) Amounts allocated and distributed under section 26 of this Act shall be computed and paid to the States as follows: The Secretary shall determine, during the last quarter of a fiscal year, on the basis of computations made pursuant to section 29 of this Act and submitted by the States, the percentage of the funds available for the next fiscal year to which each eligible State shall be entitled. Notice of the percentage and of the dollar amount, if it can be determined, for each State shall be furnished to the States at the earliest practicable time. If the Secretary finds that an amount made available to a State for a prior year is greater or less than the amount which should have been made available to that State for the prior year, because of later or more accurate State expenditure information, the amount for the current fiscal year may be increased or decreased by the appropriate amount."; and

(b) in subsection (c) by adding, following the word "safety" wherever it appears, the words "and facilities improvement".

(10) Section 32 is amended—

(a) by striking in subsection (a) the words "boating and boating safety" and inserting in lieu thereof the words "boating safety and facilities improvement."; and

(b) by adding in the first sentence of subsection (b) following the word "safety" the words "and facilities improvement".

TITLE II—ESTABLISHMENT OF FUND

SEC. 201. SHORT TITLE.

This title may be cited as the "Recreational Boating Fund Act of 1979".

SEC. 202. ESTABLISHMENT OF NATIONAL RECREATIONAL BOATING SAFETY AND FACILITIES IMPROVEMENT FUND.

There is established in the Treasury of the United States a separate fund to be known as the "National Recreational Boating Safety and Facilities Improvement Fund", consisting of such amounts as may be paid into it as provided in section 209(f)(5) of the Highway Revenue Act of 1956. Amounts in the Fund shall be available, as provided in appropriation Acts, for making expenditures after September 30, 1980, and before April 1, 1984, as provided in section 26 of the Federal Boat Safety Act of 1971 (46 U.S.C. 1476).

SEC. 203. TRANSFER OF MOTORBOAT FUEL TAXES TO FUND.

(a) GENERAL RULE.—Paragraph (5) of section 209(f) of the Highway Revenue Act of 1956 (23 U.S.C. 120 note) is amended to read as follows:

"(5) TRANSFERS FROM THE TRUST FUND FOR MOTORBOAT FUEL TAXES.—

"(A) TRANSFER TO NATIONAL RECREATIONAL BOATING SAFETY AND FACILITIES IMPROVEMENT FUND.—

"(i) IN GENERAL.—The Secretary of the Treasury shall pay from time to time from the trust fund into the National Recreational Boating Safety and Facilities Improvement Fund established by section 202 of the Recreational Boating Fund Act amounts (as determined by him) equivalent to the motorboat fuel taxes received on or after October 1, 1980, and before October 1, 1983.

"(ii) LIMITATIONS.—

"(I) LIMIT ON TRANSFERS DURING ANY FISCAL YEAR.—The aggregate amount transferred under this subparagraph during any fiscal year shall not exceed $30,000,000.

"(II) LIMIT ON AMOUNT IN FUND.—No amount shall be transferred under this subparagraph if the Secretary determines that such transfer would result in increasing the amount in the National Recreational Boating Safety and Facilities Improvement Fund to a sum in excess of $30,000,000.

"(B) EXCESS FUNDS TRANSFERRED TO LAND AND WATER CONSERVATION FUND.—Any amount received in the trust fund which is attributable to motorboat fuel taxes and which is not transferred from the trust fund under subparagraph (A) shall be transferred by the Secretary from the trust fund into the land and water conservation fund provided for in title I of the Land and Water Conservation Fund Act of 1965.

"(C) MOTORBOAT FUEL TAXES.—For purposes of this paragraph, the term 'motorboat fuel taxes' means the taxes under section 4041(b) of the Internal Revenue Code of 1954 with respect to special motor fuels used as fuel in motorboats and under section 4081 of such Code with respect to gasoline used as fuel in motorboats."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxes received on or after October 1, 1980.

SEC. 204. STUDY BY SECRETARY OF THE TREASURY.

The Secretary of the Treasury (after consultation with the Secretary of Transportation) shall conduct a study to determine the portion of the taxes imposed by sections 4041(b) and 4081 of the Internal Revenue Code of 1954 which is attributable to fuel used in recreational motorboats. Not later than 2 years after the date of the enactment of this Act, the Secretary of the Treasury shall report to the Congress on his findings under such study.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York, Mr. BIAGGI, will be recognized for 20 minutes, and the gentleman from Washington, Mr. PRITCHARD, will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4310 amends the Federal Boat Safety Act of 1971 to improve recreational boating safety and further greater development, use, and enjoyment of all the waters of the United States.

This measure responds to two separate but interrelated needs of our boating population—safety and access. Over 50 million persons in the United States engage in recreational boating on a regular basis. Today, there are an estimated 14 million pleasure craft operating on our 25 million square miles of waterways—reflecting a sevenfold increase over the last 40 years. These figures are expected to double again before the end of this century.

Most Americans today live within 50 miles of one of our four coastlines—extending for a hundred thousand miles along the perimeter of the Lower 48 States. However, despite this vast expanse of waterways and coastlines, our boating population is perhaps even more densely concentrated than the population at large—residing and boating for the most part near urban and coastal areas. Moreover, only 4 percent of our coastline is publicly owned or provides public access to the water.

Density inevitably leads to conflict. This is first reflected in accident statistics. Recreational boating follows this pattern. Overcrowding and congestion of waterways—and the lack of safe, adequate boating access in many areas—are already contributing to a spiraling increase in boating casualties. Coast Guard statistics show a continuing 6 percent annual increase in search and rescue activity.

Seventy-six percent of all Coast Guard SAR cases involve recreational vessels. Most of these incidents occur within 25 miles of the coast. Half of all boating accidents occur on internal waters subject to exclusive State jurisdiction—along with one-third of the accompanying fatalities. Clearly, boating accidents do not respect jurisdictional boundaries.

Despite these trends and conditions—reflecting a sense of inexorability to the continuing increase in boating accidents—two facts stand out. Since 1971, the number of boating fatalities has actually declined—and the rate of boating fatalities, in proportion to the increasing number of recreational boats operating on our waterways, has decreased by more than half. The principal reason for this reverse trend in boating fatalities is simple. Since 1971, the Federal Government—through the Coast Guard—and the States have been engaged in a unique partnership with a single goal—the improvement of boating safety.

Enactment of the Federal Boat Safety Act of 1971 created an administrative and operational framework that has resulted in 51 of 55 eligible jurisdictions establishing comprehensive boating safety programs—including:

The implementation of vessel numbering and casualty reporting systems;

The proliferation of boating safety education programs;

And the entering into cooperative agreements with the Coast Guard, whereby the States assume the predominant role in recreational boating law enforcement and assistance.

The financial inducement for States to assume this responsibility was the inclusion of Federal matching grants as the principal feature of the 1971 act. Despite the demonstrated record of accomplishment and cost-effectiveness of this program, the authorization for it will expire at the end of fiscal year 1980.

However, this committee—after assessing the positive benefits expected from the continuation of some form of Federal assistance to State boating programs—and the almost certain negative impacts from its termination—elected to seek an alternative financing method to assist State boating programs.

Just as the original Federal Boat Safety Act permitted a shift in the operational and administrative responsibilities of boating safety programs from the Coast Guard to the States, H.R. 4310 will shift the financial burden of support for boating safety programs to the boating population itself. It will accomplish this through the utilization of an already existing user fee—in the form of Federal taxes on motor fuels used in boating.

At present, some 33 States earmark a portion of their State marine fuels tax revenue for State boating safety and facilities improvement programs. Therefore, enactment of this measure will aline Federal policy with prevailing State practice.

In addition, national recreation policy has not considered the availability and distribution of boating facilities as a contributing factor to the increase in boating accidents. By incorporating a concern for boating safety and facilities development at both the Federal and State level, we can insure that, in the future, there will be both safe and adequate means of access to our waterways for our boating community.

Specifically, H.R. 4310 establishes a new fund in the Treasury, entitled "The National Recreational Boating Safety and Facilities Improvement Fund." It authorizes the transfer of up to $30 million each year in Federal marine fuels tax proceeds from the highway trust fund to the new boating fund. Any receipts in excess of $30 million would continue to go to the land and water conservation fund.

All transfers of funds would be subject to annual appropriations acts. A third of the funds transferred will be available for utilization on a matching basis to continue Federal assistance in support of State boating safety programs. The remaining two-thirds would be used to finance the development of new boating facilities in accordance with approved comprehensive State-wide plans—designed to meet future demand for those facilities where they are needed most. In this manner, the States would be assured of a continuing financial commitment on the part of the Federal Government in support of State boating programs.

Allocation and distribution of funds would be in accordance with formulas utilized in the predecessor grants program. These formulas generally reflect the relative proportion of numbered boats in each State—while, at the same time, balancing the needs of large and small States and providing incentives for States that wish to undertake additional efforts in boating safety and facilities development.

Perhaps the most significant feature of this legislation is that it represents no additional spending authority. Rather, it represents a congressional reordering of priorities and reprograming of authorizations as a consequence of the exercise of the congressional oversight function in determining the most cost-effective use of limited budgetary resources in an austere fiscal climate.

Other important features of this bill are—

It will help save lives and reduce property damage.

It has the support of every national boating organization: The boating industry—the National Association of State Boating Law Administrators—and the national boating advisory committee.

It will achieve its objectives at no direct expense to the general taxpayer. Few programs can make this claim.

It will replicate the accomplishments of a highly successful program with a singular record of accomplishment and cost-effectiveness.

Moreover, it will perpetuate a unique experiment in federalism in the promotion and enforcement of recreational boating safety.

I urge the unanimous passage of H.R. 4310 by my colleagues. In so doing, we will send a signal to the other Chamber of the importance of this legislation to the safety and welfare of our national boating constituency.

□ 1240

Mr. PRITCHARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my colleagues from both the Merchant Marine and Fisheries and the Ways and Means Committees in supporting the passage of H.R. 4310. The bill would amend the Federal Boat Safety Act of 1971 to improve recreational boating safety and facilities through the development, administration, and financing of a national recreational boating safety and facilities improvement program.

The Federal Boat Safety Act of 1971 provides Federal matching funds for State boating safety programs. Federal funding for these programs will end after 1979 because of an administration decision that the States should fund the programs. H.R. 4310 would continue the existing State boating safety programs and enlarge the Federal role by developing recreational boating facilities programs, which include shoreside land acquisitions. It would do this by creating a new national recreational boating safety and facilities improvement fund administered by the Secretary of the Department in which the Coast Guard is operating. The fund would be financed by diverting $30 million annually—for fiscal years 1981 through 1983—of motorboat fuel tax receipts from the existing land and water conservation fund. One-third of the funds are to go to boating safety programs and two-thirds to facilities acquisition and improvement.

Consultation at both the Federal and State levels would be required to avoid duplication by other programs and to insure consistency with coastal zone management programs. The bill would tighten the fiscal mechanism by precluding use of other Federal funds as the matching share by a State and by disallowing State matching funds as a credit against other Federal programs.

The bill would also require a report from the Secretary of the Treasury that would identify with greater certainty how much Federal motorboat fuel taxes are being received. This information would be used in future oversight and reauthorization actions.

I urge my colleagues to support this measure.

I yield 1 minute to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I rise as a cosponsor of the legislation and I support it. It is very much needed legislation and it appeals to my instincts since it involves no additional expenditure but rather a diversion of Federal gasoline tax. That means that there will be no additional cost to the Federal taxpayers but rather the funds will come out of the gasoline taxes paid by the boaters who will benefit from this legislation.

There are now more than 14 million recreational boaters in the United States and some summer Sunday afternoons on the Chesapeake Bay it seems that all of them are having fun in Maryland. As one who lives on the water and enjoys boating, I can attest to the fact that legislation of this nature is truly needed.

It is needed so that we can continue the boating safety programs which have worked so well, but equally so that public access to boating can also be expanded. This bill would permit the States to join in a matching partnership with the Federal Government in allocating funds for facilities acquisition and improvement. The need for such improvements have been well demonstrated in the State of Maryland and it is the same in other areas.

Mr. Speaker, I strongly urge the passage of this legislation and I am pleased to be a cosponsor.

Mr. PRITCHARD. Mr. Speaker, I have no further requests for time.

Mr. BIAGGI. Mr. Speaker, I yield 2 minutes to the gentleman from Hawaii (Mr. AKAKA).

Mr. AKAKA. Mr. Speaker, I rise in support of H.R. 4310, the Federal Small Boat Safety Act amendments. As a member of the Merchant Marine Committee and a Representative from a State completely surrounded by water, I am aware of the need for Federal boat safety programs.

Dramatic increases in recreational boating further impel us to extend Federal assistance to States for boat safety programs. Arguments against extension of boat safety programs have lately focused on the unnecessary expenditures by the Federal Government. I want to point out to my colleagues that this bill will not expend 1 cent in additional revenues. Rather, this program, while administered by the Coast Guard, will be entirely financed with revenues from marine fuel taxes: $30 million in marine fuel taxes will be supplemented by States contributions to insure continuation of these important programs. States will have a very difficult time continuing boat safety programs without Federal assistance.

Mr. Speaker, boat safety programs since 1971 have led to a dramatic decline, a 50-percent decrease, in boating-related accidents and fatalities. This will continue that trend without any additional expenditures. I urge its approval.

Mr. BIAGGI. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Speaker, I rise in strong support of the Recreational Boating Safety and Facilities Improvement Act of 1979. As a member of the Subcommittee on the Coast Guard and an original sponsor of the legislation, I feel that this bill marks a major step forward in our efforts to promote recreational boating safety and provide adequate facilities for the boating public.

The need for this legislation is clear. Recreational boating has increased dramatically in popularity in recent years. Since 1971, the total boating population has doubled from 7 million boats to just over 14 million boats. Moreover, the safety of these boats is a substantial concern of the Federal Government. Statistics show that recreation boats are involved in 76 percent of all Coast Guard search and rescue missions.

This bill is modeled closely after the Federal Boat Safety Act of 1971. That act has proved to be remarkably successful in reducing boating accidents and fatalities. Since enactment, boating fatalities have declined from 1,581 in 1971 to 1,321 in 1978. This decline takes on added significance in view of the large increase in the number of recreational boats over that period.

A major reason for the success of the 1971 act was its State grant program. Under that program, the States received Federal grants for programs to improve the skills of boat operators through enhanced education and enforcement efforts. The program, however, is scheduled to lapse at the end of fiscal year 1980. It would be illogical and counterproductive for this grant program to come to an end at this time. Our hearings demonstrated conclusively that the States will not be able to continue their safety programs without some form of Federal assistance.

This legislation would continue Federal assistance to State boating safety programs. It would authorize $20 million a year for that purpose. It also would authorize a modest matching grant program to assist States in building and expanding public boating facilities, such as launching ramps, marinas, and dock space. These grants are aimed at easing the critical shortage of adequate facilities that faces much of the boating public today. In the coming years, the problems of boating safety and adequate facilities are expected to come into sharper focus in view of the projected increase in recreational boats and marine recreation.

In summary, this legislation is based on a program with a proven record of success. It will pay substantial benefits to the public in reduced fatalities and fewer accidents. I urge my colleagues to support it.

Mr. BIAGGI. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, the Committee on Merchant Marine and Fisheries, with the Committee on Ways and Means, has reported H.R. 4310 a bill that would amend the Federal Boat Safety Act of 1971 to improve recreational boating safety and facilities through the development, administration, and financing of a national recreational boating safety and facilities. improvement program.

It is the purpose of this bill to establish a national program for recreational boating safety and facilities improvement and thus to meet a crucial need for Federal support of the boating public of our Nation. The bill would provide assistance to State boating programs through dedication of Federal motorboat fuel tax revenues. State governments would be assured of a proper and continuing role in the management of recreational boating programs and in the improvement of facilities to serve the 55 million of our citizens who engage in recreational boating.

The national program would be self-supporting. It would adopt the principle of matching funds, thus multiplying the benefits obtained from a centrally administered national fund. And it would provide for appropriate legislative safeguards through the congressional authorization and appropriation process.

This bill should be viewed against the backdrop of the boating safety grant program, which is in the process of phasing out. In 1971, the Federal Boat Safety Act established the principle of Federal assistance for State boating safety programs. For 1972, and for each ensuing fiscal year through 1979, the Congress provided funds for this purpose—funds administered by the Coast Guard through its boating safety grant program.

Last year, in enacting the Coast Guard

authorization bill, we authorized appropriations of up to $10 million to continue this program for fiscal year 1980. Yet, for reasons still obscure, the administration—in submitting its 1980 budget—failed to request funds for this purpose. The House Committee on Appropriations, in reporting out the Department of Transportation appropriation bill for 1980, did not include funds for the boating safety grant program—chiefly because the administration did not ask for them.

We can only hope that this development does not signal the decline of State boating safety programs, now nearing maturity and full effectiveness. The comparatively small Federal investments beginning in 1972 nourished the growth and health of established State programs and sustained the progress of State agencies—some of which are only now hitting their stride.

The return on Federal investments in State boating safety programs accrues not only to the benefit of each State but to the Federal Government as well. Through close cooperation and mutual efforts, State authorities substantially augment Coast Guard activities in boating safety, search and rescue, and marine environmental protection. The efforts and dedication of State administrators and field personnel add immeasurably to the effectiveness of the national program. Given the success of these endeavors, it it incumbent upon us to fashion through legislation a new means of sustaining State boating safety efforts within a national framework.

H.R. 4310 provides such a way by charting a new course toward lasting Federal-State cooperation and mutual assistance in the boating safety field. The bill would not legislate a grant program, which some in the administration find so onerous. Rather, the bill would provide for the boating public to pay its own way through allocation of Federal marine fuels tax revenues to a national fund. Even the cost of administering the fund will not be borne by the nonboating public: it will be financed from the fund itself. This concept has been tested in both Federal and State programs of varying purpose and has been found to be sound. It is time now to apply it to the clearly identified needs in the field of boating safety by acting favorably on the bill before us.

H.R. 4310 provides a rational, workable, and effective solution to the problems we face today in boating safety and facilities programs nationwide. The boating public does not constitute a rich elite, but boaters are capable of paying their own way, given the opportunity. The financial mechanism employed in this legislation provides that opportunity. Furthermore, boating is a $7 billion national industry, employing 550,000 people in 5,000 locations throughout our Nation.

Presently, 50 percent of the country's population lives in coastal areas. Estimates are that this proportion will grow to 75 percent by the 1990's. H.R. 4310 will help sustain the wide-flung boating industry and will open new opportunities for our populace to enjoy the benefits of recreational boating. It thus satisfies important national purposes and pays its own way in the bargain.

Before closing, I wish to commend the Committee on Ways and Means for the expeditious and constructive manner in which it considered H.R. 4310. While leaving the substantive features of the bill as it found them, the committee restructured the legislation to enhance clarity and to provide for more effective oversight. The Committee on Merchant Marine and Fisheries quickly acceded to these changes, recognizing them as useful and proper. We appreciate the cooperative attitude of the Committee on Ways and Means.

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Mr. BIAGGI. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I thank my colleague, and the chairman of the subcommittee for yielding.

Mr. Speaker, I rise in support of H.R. 4310. I recently have heard from several enthusiasts of recreational boating in my area, advocating this bill. But, I am much more impressed having heard favorable comments on this program from boaters over the years when there was no legislation pending.

I can think of no other program involving leisure-time activities which has been so successful and so universally supported. With so much of our attention in Congress focused on controversial problems and programs which have difficulties, one of the pleasures of our job is to be able to continue a service like this one, which has saved an uncountable number of lives over the last 20 years.

With the continued growth in recreational boating in this country, the need for this program grows rather than diminishes.

Very appropriately, funding for the Boating Safety Act comes from taxes on marine fuel, and not from the general revenues from all taxpayers.

Finally, I would also especially like to commend the Coast Guard for their fine and important participation in this program.

● Mr. TREEN. Mr. Speaker, I join in the endorsement of my colleagues from both the Merchant Marine and Fisheries and the Ways and Means Committees for H.R. 4310 and urge its passage.

I recall a few years ago, prior to enactment of the Federal Boat Safety Act of 1971, when oversight committees of the Congress were most critical of the Coast Guard responsiveness to a serious recreational boating situation. The numbers of boats and boaters were expanding rapidly—as were the casualty statistics. Congress responded to a Coast Guard proposal with a most cost-effective program that promoted, as the heart of that effort, a comprehensive Federal-State boating safety partnership aided by a Federal financial assistance or grant-in-aid plan that has had a significant multiplier effect reflected in States' spending some seven times the amount of Federal grants. Of even greater significance is the corresponding reduction in boating fatalities over the years.

Though Federal grants to the States averaging about $5 million annually has ceased, a Federal role persists in maintaining a boat numbering responsibility and regulations for equipment performance and manufacturing standards—not to overlook its primary and traditional search-and-rescue responsibilities. In each of these areas the States' ability to shoulder a greater share of the burden will be seriously curtailed by the discontinuance of the grant-in-aid program which would necessitate a concomitant increase in the residual responsibilities of the Coast Guard and in its operating expenses.

A logical solution has been found that supports the State boating safety programs, reduces the burden to the general taxpayer, is consistent with current user-pay philosophies, and enhances the safety of those ever increasing numbers of people who find an essential and affordable recreational outlet in boating—that is at the same time fiscally responsible and consistent with the appropriate use and enhancement of our coastal environment. That is a tall order but I find that it is reasonably achieved through H.R. 4310.

The $30 million authorized in this bill provides for the continuance of State boating safety efforts as before and an additional process to achieve the objectives I have outlined through development of boating facilities, such as essential moorings and launchways. Desirably, the States determine siting priority and participate in the funding effort.

The funds that will hopefully be appropriated would be derived from Federal motorboat fuel tax receipts that are now deposited in an Interior Department managed land and water conservation fund. This latter fund would continue to be most adequately supported by Federal surplus property sales and from Outer Continental Shelf oil and gas revenues.

Earmarking of fuel taxes is consistent with other Federal programs, such as that affecting Federal aid highways, and with the practices of some 26 States.

The limited authorization, for the next 3 fiscal years, is consistent also with the oversight concerns of the cognizant committees. This provides ample but not too expansive a period for the processes to be set in motion, plans and projects to be started, States' responsiveness to be weighed, and both boating trends and tax receipts to be assessed.

H.R. 4310 provides for a responsible use of heretofore inequitably dedicated marine fuel tax moneys. I strongly support its passage and commend the subcommittee chairman, the Honorable MARIO BIAGGI, for guiding this bill through committee and to the floor with appropriate concern for a recognized safety and citizen need.●

● Mr. LENT. Mr. Speaker, I join my colleagues from both the Merchant Marine and Fisheries and the Ways and Means Committees in supporting the passage of H.R. 4310.

At one time, we were all concerned with the appalling number of accidents and casualties that beset the recreational boating community. Congress responded in 1971 with the Federal Boat

Safety Act that recognized a continuing Federal responsibility for this interstate activity, but which also was a catalyst for increased and cooperative State involvement in patrolling its waters and in standards setting and educational activities. This Federal-State partnership was nurtured by a Federal grant-in-aid program which, though meagerly funded, has had a substantial effect on increased State financial commitments (some seven times the amount of Federal grants) and on reducing boating fatalities.

The administration, feeling that the objectives of the 1971 act had been achieved, discontinued grant-in-aid funding at the close of fiscal year 1979. But a deterioration and possible reversion to the pre-1971 state of conditions is forecast.

H.R. 4310 addresses a basic Federal safety responsibility and insures the continuation of State programs through a revised grant and matching fund effort.

Of equal significance is the fact that funding for essential State boating safety and facilities improvement or development programs is consistent with a current user-pay philosophy. The Federal funding contributions are derived from motorboat fuel tax receipts now deposited in a land and water conservation fund, that will continue to be amply and more substantially supported from other existing revenue sources.

New York, with one of the largest boating populations in the country, that is swelled by seasonal vacationers, and with a growing need to address urban recreational needs, would receive approximately three-quarters of a million dollars annually to be used for facility development and safety and education programs. This legislation deserves favorable action and I urge its passage.●

● Mr. CORRADA. Mr. Speaker, as cosponsor of H.R. 4310, the Federal Boat Safety Act, I rise in support of this bill.

It is my understanding that the administration opposes the bill on grounds that the program was intended to be a temporary one, and contends that its goals now have accomplished. I have to disagree with the administration.

In the particular case of Puerto Rico this program has proven to be of vital importance for our State boating safety program. A considerable headway in reducing the rate of boating accident and facilities has been achieved in Puerto Rico through this Federal program. It is the success of the program in Puerto Rico that has really moved me to cosponsor and support this bill. If this program is ended, as originally intended, we will be doing a disfavor to those well intentioned jurisdictions that are trying to further improve their State boating safety program. The program should be continued in order to make the boating activity a pleasant and secure one.

I wish to commend the members of the House Committee on Merchant Marine and Fisheries and in particular the gentleman from New York, Mr. BIAGGI, for their efforts in reporting out this bill favorably.

I urge my colleagues to support and vote favorably for this bill.●

● Mr. ULLMAN. Mr. Speaker, title II of H.R. 4310, as reported by the Committee on Ways and Means, establishes a separate fund in the Treasury, to be known as the national recreation boating safety and facilities improvement fund. For fiscal years 1981 to 1983, the bill authorizes the transfer of a maximum of $30 million per year into this fund from receipts attributable to the excise taxes on gasoline and special motor fuels used in motorboats. Presently, receipts from the motorboat fuels taxes are transferred into the land and water conservation fund. Any amounts in excess of the $30 million per year from the motorboat fuels taxes would continue to go into the land and water conservation fund.

Title II of the bill also requires the Secretary of the Treasury to conduct a study of the estimated annual motorboat fuels tax revenues, and to report to the Congress within 2 years.

Mr. Speaker, the Committee on Ways and Means considered the special fund provisions of H.R. 4310, and is in agreement with the Committee on Merchant Marine and Fisheries that a separate fund should be established for the specific purpose of providing Federal moneys for State recreational boating safety programs and for boating facilities improvements. The Ways and Means reported out its provisions of the bill as title II.

Title II of the bill establishes a new fund in the Treasury, to be known as the national recreational boating safety and facilities improvement fund. This title also provides that this new fund shall receive up to $30 million per year of the amounts attributable to the existing 4-cents-per-gallon excise taxes on motorboat use of gasoline and special motor fuels, for fiscal years 1981 to 1983. Revenues attributable to these taxes on motorboat fuels presently are transferred into the land and water conservation fund.

Amounts in excess of the $30 million per year from these fuels taxes will continue to go into the land and water conservation fund. Also, to prevent excessive accumulations in the fund, an additional limit on this new boating fund is that the balance in the new fund cannot exceed $30 million.

Mr. Speaker, I would like to point out that the transfer of the motorboat fuels tax revenues to the new boating fund will not diminish the overall revenues available to the land and water conservation fund. Present law authorizes transfers to that fund from miscellaneous receipts under the Outer Continental Shelf Lands Act to bring in sufficient revenues to the fund as authorized to be appropriated through fiscal year 1989.

Amounts in the new boating fund are to be available, as provided in appropriation acts, for making expenditures after September 30, 1980, and before April 1, 1984, as provided in section 26 of the Federal Boat Safety Act of 1971—as amended by title I of this bill. Title I of the bill authorizes appropriations of $30 million per year for fiscal years 1981 through 1983 for Federal-State programs relating to recreational boating safety and facilities improvements. This 3-year limitation on the authorization of appropriations from the new boating fund will give the Congress an opportunity to review the operation and effectiveness of the program.

Finally, title II of the bill requires the Secretary of the Treasury to conduct a study to determine the portion of receipts from the excise taxes on gasoline and special motor fuels—imposed under sections 4081 and 4041(b) of the code—attributable to fuel used in recreational motorboats. The Secretary is to report his findings to the Congress within 2 years following enactment of the bill.

Mr. Speaker, I urge the adoption of the bill.●

● Mr. GRASSLEY. Mr. Speaker, I wish to commend the members of the House Committee on Merchant Marine and Fisheries and, in particular, the gentleman from New York, Mr. BIAGGI, for the efforts in reporting out H.R. 4310 favorably.

Through this legislation, a logical solution has been found that supports the State boating safety programs; reduces the burden to the general taxpayer, is consistent with current user-pay philosophies, and enhances the safety of those ever-increasing numbers of people (my own State of Iowa has 160,000 registered boats, ranking 15th in the United States), who find an essential and affordable recreational outlet in boating.

The $30 million authorized in this bill provides for the continuance of State boating efforts plus the added process of developing boating facilities, such as essential moorings and launchways, with the State determining the sites and helping with the funding. Most significantly, this legislation carries no additional spending authority; rather it represents a congressional reordering of priorities and programming of authorizations.●

Mr. BIAGGI. Mr. Speaker, I would like to take this occasion to commend each member of the subcommittee for their contribution on a bipartisan basis. There is unanimity in the undertaking, and also I want to commend the chairman of the full committee, the gentleman from New York (Mr. MURPHY) for his leadership and support, and the Committee on Ways and Means for responding in such a sympathetic and expeditious fashion.

With that, Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. BIAGGI) that the House suspend the rules and pass the bill, H.R. 4310, as amended.

The question was taken.

Mr. VOLKMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 4310.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT, ALONG WITH MINORITY OR SEPARATE VIEWS, ON H.R. 5741, ENERGY SUBSIDY BOND TAX ACT OF 1979

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight, Monday, December 3, 1979, to file a report, along with any minority or separate views, on H.R. 5741, the Energy Subsidy Bond Tax Act of 1979.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TEMPORARY DUTY SUSPENSION ON CERTAIN ALLOY STEELS USED FOR MAKING CHIPPER KNIVES

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2535) to amend the Tariff Schedules of the United States to suspend for a temporary period the duty on certain alloy tool steels used for making chipper knives, as amended.

The Clerk read as follows:

H.R. 2535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting in numerical sequence the following new item:

"911.29 Alloy steel containing, in addition to iron and by weight, not less than 0.48 nor more than 0.55 percent of carbon, not less than 0.20 nor more than 0.50 percent of manganese, not less than 0.75 nor more than 1.05 percent of silicon, not less than 7.25 nor more than 8.75 percent of chromium, not less than 1.25 nor more than 1.75 percent of molybdenum, none or not more than 1.75 percent of tungsten, and not less than 0.20 nor more than 0.55 percent of vanadium (provided for in item 608.52, part 2B, schedule 6)--	Free	No change	On or before 6/30/82".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. VANIK) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 2535 as reported by the Committee on Ways and Means, is to temporarily suspend the column 1 (MFN) rate of duty on imports of alloy tool steel used to manufacture chipper knives until June 30, 1982. H.R. 2535 was introduced by our colleagues Messrs. ALBOSTA, DRINAN, SHANNON, and BRODHEAD.

Tool steels are used primarily to make tools capable of cutting, forming, or otherwise shaping other materials in the manufacture of virtually all industrial products. More than 95 percent of the alloy steel covered by H.R. 2535 is used to make chipper knives, which are used in machines that chip trees and other wood to make pulp and wood fiber products.

Domestic production of this specialty steel only meets between 25 and 33 percent of U.S. consumption requirements. Since the cost of the steel represents approximately 80 percent of the finished product, that is, the chipper knife, suspension of the duty will result in lower costs to chipper knife manufacturers, the consumers of this steel, and improve their competitive position vis-a-vis foreign knife manufacturers.

The bill as amended was ordered reported by voice vote, and I urge its passage.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. FRENZEL. Mr. Speaker, I support H.R. 2535, a bill to suspend through June 30, 1982, the duty on column 1 entries of alloy tool steels used for making chipper knives. These chipper knives in turn are used as the cutting part of machines that chip block wood into pulp and other wood fiber products.

During testimony before the committee, it was revealed that domestic production of the type of steel covered by this bill is barely sufficient to supply from one quarter to one third of the demand in this country. Imports must be relied upon for the remainder. Although many specialty steel producers in the United States possess the ability to manufacture the type of steel used in making chipper knives, they have preferred to move into other more profitable lines. This trend is expected to continue in the future.

For the four chipper knife manufacturers in the United States, chipper knife steel represents about 80 percent of the cost of the finished product. The duty suspension provided by H.R. 2535 will lower the cost of these manufacturers' principal raw material, and thus improve their competitive position with respect to foreign knife manufacturers. Furthermore, the impact of such a duty suspension is expected to negligible effect on domestic alloy steel manufacturers, who apparently are moving out of the production of this particular type steel anyway.

I would like to note here that the chipper knife steel covered by this bill does not in any way come under the quantitative restrictions currently imposed on imports of specialty steel under the import relief provisions of the Trade Act of 1974. In other words, it has been determined that imports of chipper knives do not in any way disrupt the domestic market. The Departments of Commerce and State and the Office of the Special Trade Representative indicated that they have no objection to enactment of H.R. 2535.

Mr. Speaker, the bill before us is a straightforward and fair piece of legislation, and I urge my colleagues to approve H.R. 2535 at this time.

● Mr. WALGREN. Mr. Speaker, I urge my colleagues to join me in opposing H.R. 2535, a bill to be brought up under suspension of the rules on Monday to eliminate the current tariff on foreign chipper knife steel.

When American steel companies are having to lay off thousands and thousands of American workers, it is simply not the right time to make it easier for foreign steel to enter our country.

Chipper knife steel is a specialty steel used by machine knife manufacturers. It was specifically exempted from the specialty steel quotas which protected most specialty steel products for a 3-year period. Consequently, foreign producers have been able to drive a number of American producers out of the business. Now the foreign producers are claiming that, since there are few American producers left, they should be permitted to supply the whole market without a tariff.

Frankly, H.R. 2535 rewards the foreign steel companies for being successful in hurting American chipper knife steel producers.

The truth is that passage of H.R. 2535 will make it virtually impossible for American producers to ever reenter the chipper knife market. And it will leave our American machine knife manufacturers more dependent on foreign steel producers for their chipper knife steel.

I urge my colleagues to oppose this tariff reduction.●

● Mr. LAFALCE. Mr. Speaker, I rise in opposition to H.R. 2535, which would suspend the import duty on chipper knife steel.

During the past few years, all but one domestic producer of chipper knife steel has stopped producing this type of alloy tool steel; and that is the Guterl Special Steel Corp. of Lockport, N.Y., in my congressional district. The fact that Guterl is the sole remaining U.S. producer is no accident, and that is the very reason why this duty was initially imposed. Without this duty, Guterl would be unable to effectively and equitably compete with its directly and indirectly subsidized foreign counterparts in Sweden and the Common Market and would have to cease production of chipper knife steel. Foreign producers' prices are not predicated on actual cost considerations, unlike Guterl's, but rather on national policies to maintain full employment in Sweden and the Common Market.

In the face of predatory pricing practices by foreign producers, Guterl has managed to maintain a competitive position because of the existence of this duty. It has, in fact, embarked on an ambitious expansion program to expand and modernize its facilities. This 5-year pro-

gram calls for capital expenditures which will enable the corporation to significantly improve production efficiency, reduce costs, increase productivity, and provide sophisticated laboratory and quality control methods. Guterl's steadfast commitment to increasing the production of chipper knife steel could be imperiled if it is unable to compete on a fair and equal basis with its foreign counterparts.

Passage of this bill will not make more chipper knife steel available to those, like the manufacturers of chipper knives, who use this type of alloy tool steel. Foreign producers of this steel are also manufacturers of the knife product, and they could choose to reduce supplies of the steel to U.S. manufacturers, if the sole domestic producer of chipper knife steel ceases production.

Suspension of the duty on chipper knife steel will leave domestic manufacturers of the knife product at the no doubt tender mercies of Swedish and Common Market producers of the steel. In addition to the possibility of reduced supplies of the steel, these foreign sources, once they are the only remaining source of the steel, could decide to sell their product at any price they desire. The absence of effective domestic competition could, therefore, have a markedly inflationary impact, as we have seen in the case of oil and other products.

Guterl is committed to a policy of strong and fair competition with foreign specialty steel producers, and other producers are considering reentering this market. Suspension of the duty would place U.S. producers at an unfair disadvantage and eliminate the sole remaining domestic producer and the possibility of additional domestic producers.

Therefore, I urge all of my colleagues to vote against H.R. 2535, because it would encourage an additional and increasingly dangerous dependence on foreign products.●

● Mr. ALBOSTA. Mr. Speaker, I rise in support of H.R. 2535, a bill to suspend for a temporary period the import duties on chipper knife steel.

The American manufacturers of chipper knives have had increasingly difficulty in obtaining supplies of chipper knife steel over the past 15 years. American manufacturers have faced increased competition at the same time from foreign producers of these important machine knives. This Nation and others are returning to renewable resources for energy and other uses, such as the treatment of municipal waste and home building. Wood is one of the foremost of those renewable resources, and chipper knives are an essential element of the wood processing industry.

In April 1978, the International Trade Commission and President Carter saw the need for more chipper knife steel in this country. Therefore, the President removed any restrictions on the amount of chipper knife steel that American manufacturers can import into this country. However, one obstacle remains. This obstacle is inhibiting the ability of the American producers to compete with foreign producers for these same machine knives. That obstacle is an unfair and unnecessary duty on chipper knife steel. The effective duty on chipper steel is over 12 percent, while the duty on the finished knives is only 5 percent. This chipper knife steel is 100 percent of the raw materials required for the production of chipper knives. If we give the American manufacturers of chipper knives a fighting chance by lifting this duty, they estimate that they can double their production within a very few years. If we do not lift this duty, the United States will continue to lose this vital business to foreign manufacturers.

With some of the largest forest resources in the world, why should not we be able to make our own wood processing equipment? Even today we are devising new ways to harvest processed wood, new ways which are environmentally beneficial, new ways that waste almost none of the natural resource that is harvested. Yet, if we can not make the knives that are required to cut and chip that wood, how do we expect to become self-sufficient? This is just one example of an American industry that needs to be treated fairly. They are not asking for special consideration. They are not asking subsidies. They just want a chance to compete. Unfortunately, the production of this particular kind of specialty steel requires a very exact amount of special alloys and a great deal of care in its manufacture. The volume involved is apparently low enough so that American manufacturers of specialty steels have not been interested in supplying this steel at a competitive price. They have benefited from a 12 percent advantage, and they still have not been able to supply this steel at a competitive price.

In fact, just recently domestic price quotations have jumped, making it nearly impossible for domestic manufacturers of these knives to purchase significant amounts of this steel domestically with any hope of competing against foreign producers of the finished knives.

The domestic producers of this steel produce many other kinds of steel. They do not rely on this particular steel for a significant portion of their business. In fact the U.S. Commerce Department reports that imports of chipper knife steel represent less than three-tenths of 1 percent of the domestic specialty steel production. Chipper knife steel is 100 percent of the raw material required by chipper knife manufacturers. If they cannot get this steel at competitive prices, and competitive quality, then they just cannot go on.

We are not just up here today asking a special favor for one particular constituent in one small area of the country. There are currently manufacturers of chipper knives in the economically depressed area of central Michigan, New England and the South. The Machine Knife Association has members in 12 States who strongly urge you to pass this legislation. But beyond these manufacturers themselves, the chipper knife customers in the forestry, wood and paper industries and their customers, in home building, sewage treatment, lanscaping, energy, plywood and paper industries, all depend on this one pivotal product. Savings which you can make possible today can be passed on to these customers who are without a doubt in each and every congressional district in the country.

Finally, we feel that the arguments in favor of H.R. 2535 are strong. These arguments were accepted by the administration, the Subcommittee on Trade, and Ways and Means Committee. We believe they also justify your vote in favor of H.R. 2535.

Thank you.●

● Mr. RITTER. Mr. Speaker, I rise in opposition to H.R. 2535, a bill which would suspend the duty on chipper knife steel which is used in the production of industrial cutting blades. My opposition to this bill rests on several points which I believe Members can no longer afford to ignore if this Nation's steel industry is to meet the challenge of the subsidized foreign competition. First, I am troubled by the apparent public and Government disinterest over the plight of the domestic steel industry. Some among us apparently are satisfied with the proposition that the domestic steel industry should be abandoned—that America's need for steel products should be met by foreign imports. Reports in recent newspapers about the closing of plants in Ohio, in Pennsylvania, and throughout the country, provide painful evidence of this proposition.

Mr. Speaker, this week shockwaves occurred throughout America on the United States Steel Corp. announcement to permanently close three steelmaking facilities, in addition to a number of processing facilities. This will result in a permanent loss of 13,000 jobs.

I regret the decision and the resulting loss of employment at a time when America is moving into a deepening recession.

I fear that the devision of United States Steel is a forerunner of similar actions by other American steelmakers—both large and small. There are indications that we may experience a 10-percent cutback in national steel capacity with total job losses approaching 50,000 workers in this one industry alone.

There are many reasons for this steel crisis—in fact, it is a part of a world crisis in steel cutbacks and layoffs. Inefficient obsolete plants cannot compete with modern efficient plants abroad. The general state of the economy, Government policies, leadership in the industry, and personnel costs expanding beyond productivity are all to blame.

The answer to the problem is to replace rundown, old, obsolete mills with modern, efficient, clean facilities. The current high costs of borrowing, poor return on capital in the face of rampant inflation and negative tax policy toward depreciation all prohibit the industry from entering the money markets for the capital infusion necessary to revitalize the economy.

Federal tax incentives and capital financial support will make it possible for the steel companies to put modern new plants on stream as obsolete facilities are retired. To lose productive capacity before new plants are substituted invites foreign imports to fill the gap forever.

Steel customers lost to foreign producers are difficult to recover.

With respect to these fundamental steel issues, I urge the Ways and Means Subcommittee on Trade to hold hearings to develop a comprehensive approach to the steel problem. We need to develop a national steel policy to strengthen our domestic industry and make it self-sufficient and competitive.

I reject the notion that America should be strongly dependent on foreign producers to meet its steel needs. The United States, in my view, must maintain an active and competitive steel industry. We who share that view should act now to oppose H.R. 2535.

For H.R. 2535, if made law, would be another illustrative example of how foreign producers have been able to drive American producers from the U.S. steel marketplace.

During the start of the last decade, three American specialty steel producers manufactured chipper knife steel. Through various means foreign producers succeeded in eliminating two of these producers from their own domestic market. If H.R. 2535 is passed, the sole remaining American producer of this product, although it has sharply increased its production over the last 3 years, will be eliminated from the market. Even worse, other producers like Bethlehem Steel will be unable to competitively introduce newer varieties of the product.

As Members of Congress, we should not, indeed cannot, permit the dismantling of the domestic steel industry product by product, or sector by sector.

Those who favor maintaining a domestic steel production capacity in chipper knife steel, I would like to ask to join me in opposing H.R. 2535, both in the House and Senate.

The failure to oppose this measure, is an invitation to foreign producers to seize a domestic steel market we are no longer interested in preserving.●

Mr. FRENZEL. Mr. Speaker, I have no further requests for time. I yield back all my time.

Mr. VANIK. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. VANIK) that the House suspend the rules and pass the bill, H.R. 2535, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TEMPORARY REDUCTION OF DUTY ON STRONTIUM NITRATE

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2537) to suspend until December 31, 1982, a portion of the duties on strontium nitrate, as amended.

The Clerk read as follows:

H.R. 2537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting in numerical sequence the following new item:

"907.45	Strontium nitrate (provided for in item 421.74, part 2C, schedule 4).....	Free	No change	On or before Dec. 31, 1981".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. VANIK) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as amended by the committee, the purpose of H.R. 2537 is to temporarily suspend until December 31, 1980, the column 1 (MFN) rate of duty on strontium nitrate. The existing 6 percent ad valorem rate of duty would be reduced to zero.

H.R. 2537 was introduced by our colleague, Mr. BAUMAN of Maryland.

Strontium nitrate is used in the manufacture of tracer bullets, flares, and other signal-type products since it produces a red color during combustion. The principal consumers are the military and the railway and trucking industry. Currently there is only one domestic basic producer of strontium nitrate which is unable to meet domestic demand.

Imports increased from 69,302 pounds valued at $8,220 in 1971 to a high of 1,200, 546 pounds valued at $282,803 in 1976. Imports decreased in 1977 to 281,000 pounds valued at $80,000. In 1978, imports increased to 672,403 pounds valued at $177,869. The east coast had been importing most of its needs from one plant in Canada. That plant recently closed and imports were supplied by West Germany and Italy in 1978. A producer of barium chemical products in Georgia has indicated it is seriously considering entering the domestic market as a supplier of strontium nitrate, but would reconsider if the tariff barrier was removed.

Reports opposing enactment of H.R. 2537 were received from the Department of Commerce and Labor, on the grounds that domestic production is adequate to supply all of domestic demand and that a firm which has announced plans to produce the product will not proceed if the bill is enacted. The International Trade Commission filed an informational report suggesting technical changes.

The committee amended H.R. 2537 to suspend the column 1 (MFN) rate of duty for only 1 year, instead of 2; that is, until December 31, 1980, on the grounds that the domestic firm that has announced plans to produce strontium nitrate should be encouraged and allowed an opportunity to do so. The committee further amended the bill by accepting a request by the author, Mr. BAUMAN, that the column 2 rate of duty not be reduced from its current level of 25 percent.

The committee also made technical amendments to reflect properly the numerical sequence in the Tariff Schedules of the United States and to state the termination date in the accepted form.

The bill, as amended, was ordered reported by the committee by voice vote, and I urge its passage.

□ 1300

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also support enactment of H.R. 2537, a bill to suspend until December 31, 1982, the column 1 duty on imports of strontium nitrate. This bill is another of many bills which were passed by the House during the 95th Congress but failed to be approved by the Senate before adjournment.

Strontium nitrate is used in the manufacture of tracer bullets, flares and other signal-type products. The military is the principal consumer of strontium nitrate, and because of this association, many production statistics are confidential. However, it is apparent that domestic production does not meet the demand in this country. Other users include the railway and trucking industries. Currently there is only one domestic producer of strontium nitrate located on the west coast, requiring that users on the east coast import most of their needs from Canada, West Germany, and Italy.

An important supplier in Canada has recently shut down, but it is hoped that a suspension of the duty on strontium nitrate will encourage the reopening of the plant.

The Departments of Commerce and Labor have opposed enactment of H.R. 2537 because a producer of barium chemical products located in Cartersville, Ga., is seriously considering taking steps to begin production of strontium nitrate. However, it is unlikely that this company could actually begin production before the duty suspension provided in H.R. 2537 expires. In fact, the committee reduced the effective dates of the bill specifically so that the economic impact could be reviewed after a short period of time as well as the status of the Georgia firm in expanding the domestic supply of strontium nitrate.

Mr. Speaker, H.R. 2537 is a good bill which, as I said, has already been approved once by this body. I urge my colleagues to again support enactment of this important piece of legislation.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I also want to express my appreciation to the members of the subcommittee for their interest in this matter. As the gentleman indicated, his bill did pass unanimously, last year and this legislation will save several hundred jobs in Maryland, Indiana, and Illinois.

Mr. Speaker, for purpose of explanation I include at this point in my remarks my statement made when the bill passed

and I also want to say that we appreciate the cooperation the committee has given us.

The statement follows:

Mr. Speaker, I rise as the sponsor of this bill to provide for my colleagues a brief explanation of its intent and purpose and why I believe it should be passed without delay.

For those unfamiliar with the chemical, strontium nitrate is the prime ingredient in the flares that are used by motorists, boaters, and military personnel as well as the luminating component in tracer bullets used by the military during night combat. It is not the kind of product that is in constant use, as it is quite common for a motorist or boater to purchase one flare for emergency purposes and to have the flare sit for long periods of time. However, when the occasion calls for the use of the flare, the need is very great indeed. It is frequently a matter of life and death and the flare can make a great difference in the outcome.

Up until the past few years there have been several domestic suppliers of strontium nitrate to the manufacturers of pyrotechnic products, but in 1975 DuPont, which had been a major supplier of strontium nitrate to domestic manufacturers, elected to terminate its activities in this area. Accordingly, only one U.S. source is now available to supply this market. This corporation has one plant, and it can only produce a limited amount of the supply of this chemical which is needed domestically. The only other alternative for the pyrotechnic industry has been the foreign importation of strontium nitrate from Canada. While the U.S. pyrotechnic industry has done this; that is, importing the chemical from Canadian Kaiser Aluminum which runs the only nitrate plant in Canada, Kaiser has most recently announced that the present high duties on strontium nitrate may force the closure of its one plant in Nova Scotia.

This closure, which would come about as a direct result of the high tariff rates imposed by this country to protect domestic industry, would create a monopoly for the production of strontium nitrate for a company that is only able to supply a portion of the demand. Such a situation would be tragic for the several U.S. manufacturing companies in Maryland, Indiana, Illinois, and elsewhere that depend upon strontium nitrate to produce the flares and safety devices used by the consuming public and the military. Many hundreds of jobs will be affected by this decision because the pyrotechnics industry employs thousands of people and that industry is completely dependent upon a steady supply of strontium nitrate to continue operations.

The bill will act to prevent the creation of a monopoly industry in the supply of strontium nitrate in this country, will help to insure the continued operations of the pyrotechnics industry that relies upon strontium nitrate, and will insure that the American consumer will pay a reasonable price for the flares that save lives in emergencies and prevent accidents in hazardous conditions. It will save money, save jobs, and save lives, and I commend it to my colleagues for passage.

Mr. FRENZEL. Mr. Speaker, I yield back the balance of my time.

Mr. VANIK. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. VANIK) that the House suspend the rules and pass the bill, H.R. 2537, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The title was amended so as to read: "A bill to reduce until December 31, 1981, the duty on strontium nitrate.".

A motion to reconsider was laid on the table.

TEMPORARY SUSPENSION OF DUTY ON FLUORSPAR

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3352) to provide for the temporary suspension of duty on the importation of fluorspar, as amended.

The Clerk read as follows:

H.R. 3352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting in numerical sequence the following new item:

"909.09	Fluorspar (provided for in items 522.21 and 522.24, part 1J, schedule 5).	Free	No change	On or before 6/30/82".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, on or after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. VANIK) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 3352 is to suspend the column 1 (MFN) rate of duty on fluorspar through June 30, 1982.

H.R. 3352 was introduced by our colleague, Mr. ROSTENKOWSKI of Illinois.

The production of steel, aluminum, and fluorocarbon chemicals all require fluorspar. It serves as a flux in steel making. A derivative of fluorspar, aluminum fluoride, also serves as a flux in aluminum metal manufacture. The chemical and petroleum industries require hydrofluoric acid made from fluorspar to synthesize fluorocarbon polymers. Fluorspar is also used as an opacifier in ceramics.

U.S. production of fluorspar has declined since 1974 and in 1978 the fluorspar industry operated at less than one-half capacity. On the other hand, exports have increased and were almost $1 million in 1978. Imports have generally declined, however, from 1.3 million tons in 1973 to 895,000 tons in 1976 and totaled 917,000 tons in 1978.

Fluorspar has long been classified as a strategic and critical material. The U.S. Government stockpiled large quantities of both tariff-defined grades of fluorspar until the early 1960's. At present, the stockpile consists of about 1.3 tons of fluorspar, of which 0.4 million tons is metallurgical grade, and the balance is acid grade.

A report favoring enactment of H.R. 3352 was received from the Department of Commerce, and a report not objecting to enactment was received from the Department of State. An informational report was received from the International Trade Commission.

The committee agreed to three technical amendments in the bill suggested by the International Trade Commission to reflect the proper numerical sequence in the Tariff Schedules of the United States, and to reflect preferred legislative language in the date of enactment provision.

The bill, as amended, was ordered reported by voice vote, and I urge its passage.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my colleague in supporting H.R. 3352, a bill suspending through June 30, 1982, the column 1 rate of duty on fluorspar. The bill applies to both acid grade and metallurgical grade fluorspar under items 522.21 and 522.24 of the Tariff Schedules of the United States.

Production of fluorspar has been steadily declining in the United States since 1974, and by 1978 the industry was operating at less than 50-percent capacity. The production of steel, aluminum, and fluorspar fluorocarbon chemicals all require the use of fluorspar, and two multinational and vertically integrated companies—Pennwalt Corp. and Allied Chemical Corp.—own about 90 percent of domestic production of fluorspar. Imports generally have declined since 1973, totaling 917,000 tons in 1973. Two-thirds of all imports of fluorspar come from Mexico.

Although a similar bill last year failed to get the two-thirds vote necessary to be approved under suspension of the rules, the passage of another year indicates that a duty suspension is even more urgently needed at this time. Fluorspar is a critical strategic material and the duty suspension should encourage increased supplies to this country that would perhaps supplement our government stockpiles. In addition, the competitive position of the important steel, aluminum and chemical industries in the United States would be greatly enhanced without adversely affecting domestic fluorspar production.

The Department of Commerce favors enactment of H.R. 3352 and the State Department has indicated that it does not object to the bill's passage. It is expected that the loss in customs revenue associated with H.R. 3352 amounts to a maximum of $3.6 million annually based on 1978 imports.

Mr. Speaker, the committee has carefully reviewed the possible effects of a duty suspension on imports of fluorspar both this year and during the last Congress. I hope we can favorably dispose of the issue this year, and I urge my colleagues to support passage of H.R. 3352.

Mr. VANIK. Mr. Speaker, I yield such time as he may desire to my distinguished colleague, the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Speaker, let me say to my colleagues in the House that, with

great due deference to my friend, the gentleman from Ohio (Mr. VANIK), and my friend, the gentleman from Minnesota (Mr. FRENZEL), I rise in opposition to this bill, which is not good legislation. Let me point out why it is not, and let me point out my own personal involvement here so we are putting everything on the table.

Primarily, I am going to be talking about the national interest, but in my district we are going to lose about 250 jobs in an area of very high unemployment if this bill passes. So I have a personal involvement in my district, but there is a national purpose that would be ill served were we to pass this legislation.

As my colleague, the gentleman from Ohio (Mr. VANIK), has pointed out, this mineral is essential in the production of steel, aluminum, and a number of chemicals. A continuous supply of fluorspar is essential to the Nation. The Federal Emergency Management Agency sets certain minimum goals that we ought to have by way of a stockpile, and we are less than one-fourth toward that goal in metallurgical fluorspar; in acid grade we are just a little better than one-half.

On our net import reliance, my figures differ from the figures of the gentleman from Ohio. My figures show that our net import reliance has risen from 77 percent of our national consumption in 1976 to 80 percent in 1977 and to 82 percent last year. In 1977 there were 15 working fluorspar mines in the United States. By the end of 1978 there were only 12, and now there are fewer than 10.

From what countries do we get this fluorspar? We get it from two countries: Mexico and South Africa. While Mexico is the leading supplier, we are increasingly reliant on South Africa, and that is where the big growth is.

Now, the question we have to ask ourselves is whether, because of the policies of the Government of that nation, we want to take jobs from industries in the United States and give them to South Africa. That is one question.

The second question is: Do they have the kind of stability in South Africa that is needed so that we can rely on South Africa as a source for our fluorspar?

I think there are serious questions that have to be asked. Here I would point out to this body that our colleague, the gentleman from Nevada (Mr. SANTINI), who is chairman of the Subcommittee on Mines and Mining and who knows more about minerals than any other Member of this House, has written a strong "Dear Colleague" letter to every Member of the House saying that it would not be in the national interest to pass this legislation, and that it puts in jeopardy a very, very fundamental supply source.

Mr. Speaker, at this point I wish to enter in the RECORD the "Dear Colleague" letter to which I have just referred:

MY COLLEAGUES ON MONDAY, DECEMBER 3D, 1979, DON'T BE SWEPT UP IN THE FLUORSPAR FOLLY!

H.R. 3352, to suspend the import duty on fluorspar coming into this country, is another piece of a larger problem. We are already 82% reliant on foreign sources for fluorspar, and H.R. 3352 would just about destroy our already weakened domestic producers.

There is no satisfactory substitute for fluorspar in its major metallurgical and chemical uses; about 48% of consumption goes into U.S. steelmaking, about 23% into primary aluminum production, and 25% to our chemical industries.

H.R. 3352 would be another nail driven into the coffin of our industry that Congress and the Executive continue to neglect. While every other government of the world is committed to the development of its minerals industry, we drift along totally unconcerned for ours, asleep to the vulnerability of growing foreign dependence.

We have only two major producers of fluorspar, which account for 90% of our production. There is absolutely no doubt in my mind that removal of the present duty would seriously discourage the development of two new major fluorspar deposits in Idaho and Tennessee. These prospective developments could materially improve domestic supply and benefit their areas of underemployment. The meager benefit from suspension of the duty would be more than offset by prospective job losses where new mines would be located and decrease our vulnerability to supply disruptions.

My Subcommittee on Mines and Mining is trying to make some sense out of the thousands of Federal regulations and actions that bit-by-bit are reducing our ability to produce. Congress must start looking at the larger picture. I ask that you oppose the removal of the fluorspar tariff until we have the whole of the problem in perspective.

Sincerely,

JAMES D. SANTINI,
Chairman,
Subcommittee on Mines and Mining.

Mr. Speaker, new mines for the production of fluorspar are being looked at in Idaho, as I understand it, in Tennessee, and possibly in Vermont. I see my colleague, the gentleman from Vermont (Mr. JEFFORDS), on the floor, and he may know more about that than I do.

The largest find of fluorspar has been recorded in the State of Tennessee, in the district of our colleague, the gentleman from Tennessee (Mr. DUNCAN). If this legislation passes, the company that is involved there will not go ahead with the mine. If this legislation does not pass, that company is going to go ahead with the mine in Tennessee.

We will lose about $3,600,000 in direct revenue if this bill passes. And for what? It amounts to 0.02 of 1 percent on the end product.

Now, if we think that 0.02 of 1 percent is going to be passed on to the consumer, that is one thing, but let me point out that we are then putting ourselves in jeopardy because we will be at the mercy of two nations which can at any point double the price of fluorspar, and that will adversely impact on the steel mills of my friends from Indiana and Ohio. It will adversely impact on the aluminum industry in the United States, and it will adversely impact on the American consumer.

□ 1310

It is not in the best interests also, obviously, of the balance of trade.

So I would urge that this seemingly innocuous bill, which is quietly wending its way through Congress, be stopped at this point. It is not in the national interest that we pass this legislation.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I want to assure my distinguished colleague, the gentleman from Illinois, that our committee, and I think the gentleman from Minnesota (Mr. FRENZEL) will agree, we made every effort to try to preserve and protect domestic sources, for the reasons that the gentleman from Illinois has outlined. Insofar as practicable, we want to do that. But here we have other secondary industries which are heavily impacted by imports—the steel industry, the aluminum industry and the chemical industry. Without this legislation, they are going to have some real problems.

I will tell the gentleman that I am hopeful that the domestic sources will come on stream in adequate force and strength to take care of the American market. We will watch that very carefully, and we certainly do not want to jeopardize the jobs in the gentleman's district. I would encourage our domestic industry to go forward, because when they demonstrate the capacity to eliminate the imports, I will be happy to deal otherwise with this legislation.

Mr. SIMON. Mr. Speaker, if I may respond, I have complete respect for the sincerity of my colleague, the gentleman from Ohio (Mr. VANIK), and usually the gentleman and I are in the battle on the same side. But the reality is that if this bill passes, these mines close, period, and you do not just open a mine overnight.

The legislation is drafted in such a way that you see what the impact is until 1982. I will say to my good friend that by 1982 there will not be a mine open in the United States. These mines are very, very marginal right now. If this legislation passes, there will not be a fluorspar mine in the United States and we will be 100 percent dependent on two countries for our fluorspar and they can jack that price up wherever they want. So I think this is not the direction we ought to go.

Mr. VANIK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. VANIK) that the House suspend the rules and pass the bill, H.R. 3352, as amended.

The question was taken.

Mr. SIMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

TARIFF CLASSIFICATION OF COLD FINISHED STEEL BARS

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4309) to amend the Tariff Schedules of the United States to provide for the proper classification of cold finished

steel bars; and for other purposes, as amended.

The Clerk read as follows:

H.R. 4309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) headnote 3(1) to subpart B of part 2 of schedule 6 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "or cut to length" each place it appears therein.

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after March 1, 1980.

SEC. 2. (a) Subpart B of part 2 of schedule 6 of such Tariff Schedules is amended by striking out item 608.50 and inserting in lieu thereof the following:

"	Cold formed:		
606.87	Finished, drawn, nontubular product, of any cross-sectional configuration, cut to length, and not over 0.703 inch in maximum cross-sectional dimension and containing not over 0.25 percent by weight of carbon.	5% ad val.	0.125¢ per lb. +20% ad val.
606.89	Other	7.5% ad val.	0.125¢ per lb. +20% ad val.".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on and after March 1, 1980, and before January 1, 1982.

SEC. 3. (a) Effective January 1, 1982, subpart B of part 2 of schedule 6 of such Tariff Schedules is amended by striking out items 606.87 and 606.89 (as added by section 2(a) of this Act) and inserting in lieu thereof the following:

"606.88	Cold formed	7.5% ad val.	0.125¢ per lb. +20% ad val.".

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after January 1, 1982.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. VANIK) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. VANIK.)

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as reported by the Ways and Means Committee, H.R. 4309 provides for the proper classification of certain cold finished steel bar and amends the rate of duty with respect to cold finished bars. H.R. 4309 was introduced by our colleagues Mr. Benjamin et al.

Cold finished steel bars are a special steel product produced by drawing and/or turning, grinding, and/or polishing hot rolled special quality bars. Steel bars are used in a wide range of applications in the production of noncritical parts of bridges, buildings, ships, agricultural implements, roadbuilding and railroad equipment, and general machinery.

The definitions of "bar" and "wire" currently contained in the Tariff Schedules of the United States as such that small diameter cold finished steel bar, which accounts for 20–30 percent of all cold finished steel bar imports, falls within the wire definition. The bill would amend the definition of wire to delete the words "or cut to length" therefrom. The primary feature which distinguishes bar from wire is the fact that it is cut to length rather than coiled.

Because of the disparity in tariff levels currently applicable to cold finished steel bar and those wire categories under which small diameter bar is now classified, the definitional change I just mentioned would have had the effect of substantially increasing the duty on a large proportion of the imports of small diameter bar from 1.7 to 8.5 percent ad valorem. The administration objected to this on the grounds that the duty increase would place the U.S. in violation of its obligations under the GATT.

In an effort to address the objection, the committee amended the bill to provide two classifications of cold finished steel bar: one primarily applicable to the large diameter bar, the other applicable primarily to small diameter bar. The column 1 rate of duty on large diameter bar would be decreased from the current rate of 8.5 to 7.5 percent ad valorem. This decrease would amount to an acceleration of the staged reduction negotiated in the multilateral trade negotiation which will otherwise be fully implemented in 1987.

The column 1 rate of duty on small diameter bar would be increased from 1.7 to 5 percent ad valorem. Thus, the duty decrease on the first item is intended to offset the duty increase on the later item. The rates of duty established by this amendment would apply to articles entered on or after March 1, 1980, and before January 1, 1982.

The committee further amended the bill to provide that effective January 1, 1982, all cold finished steel bar would be classified in a single item and dutiable at a column 2 rate of 7.5 percent ad valorem. The timing of this amendment is intended to afford the executive branch an opportunity to take action with regard to tariff issues in the context of planned negotiations to harmonize our tariff schedules with those of other countries.

The bill, as amended, was ordered reported by voice vote, and I urge its passage.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not personally support H.R. 4309, a bill that amends the definition of "wire" in the Tariff Schedules of the United States, accelerates certain related duty reductions negotiated in the MTN, provides temporarily for a separate classification of small diameter steel bar, and ultimately provides for a single redefined classification of steel bar beginning January 1, 1982. But the minority on our committee was strongly supportive of H.R. 4309.

This rather complicated bill is designed to address the problem of a misclassification of small diameter steel bar as wire with the consequences of having a higher rate of duty applied. This small diameter bar, although currently classified as wire, is neither used for the same purpose or made in the same manner as the wire with which it is categorized. Cold finished steel bars are used in a wide range of applications including the production of noncritical parts of bridges, buildings, ships, agricultural implements, roadbuilding, and railway equipment, and machinery in general.

The Departments of Commerce and State and the office of the Special Trade Representative opposed enactment of H.R. 4309 on the basis that the duty increases that would result would be in violation of our international commitments under the General Agreement on Tariffs and Trade (GATT). The committee, of course, is sensitive to this argument and amended the bill so that the impact of the reclassification, and resulting duty increases, would be staged and otherwise implemented with the least possible disruption.

The bill, as it now stands, provides for two new classifications for cold finished steel bar—one for small diameter bar and the second for all other bar. The duty applicable to the second category would be reduced from 8.5 to 7.5 percent ad valorem. This decrease would amount to an acceleration of the duty reduction negotiated in the MTN which would not otherwise be fully implemented until 1987. The first category, which applies to the bar that had previously been misclassified as wire, would have a column 1 duty of 5 percent ad valorem. In other words, the duty increase on this first category would be balanced by the duty reduction on the second category.

Finally, effective January 1, 1982, a single rate of duty of 7.5 percent column 1 ad valorem would be applied to all imports of cold finished steel bar. Also, the bill provides that the definition of "wire" be changed immediately to eliminate the confusion that allowed the misclassification initially.

Mr. Speaker, even though I do not support it, I believe that H.R. 4309 as amended is a pretty good compromise that will not be damaging to U.S. interests and will not abrogate the responsibilities of the United States under the GATT.

Mr. VANIK. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. Mr. Speaker, I urge support of H.R. 4309 which amends the U.S. Tariff Schedule to properly classify cold-finished steel bars (CFSB).

The reported bill is the result of a series of compromises effectuated by the diligent efforts of Mr. LEDERER of Pennsylvania to satisfy opposition from the Departments of Commerce and State and the Office of the Special Trade Representative to adopt H.R. 4309 in its original form.

I truly appreciate the understanding and assistance of trade subcommittee Chairman VANIK, members of the subcommittee and its staff. Their assistance has been extremely invaluable in developing this legislation which is fair and equitable to our domestic producers of cold-finished steel bars, the U.S. Government and our trading partners. Unfortunately, despite this balance and the work of the subcommittee, it is not known whether the bureaucracy of our Government—which appears to be more

interested in helping foreign producers than understanding the problems of the U.S. steel industry—has been satisfied. Regardless, the bill before this House is fair, balanced, and well prepared to solve an inequity in the law which is even recognized and admitted by the bureaucracy.

For background, the cold-finished steel bar industry has been grappling with a problem caused by an anomaly in our tariff schedules which has resulted in the misclassification of about 20–25 percent of our total imports of cold-finished steel bars. Instead of properly being classified as "bar," these products are considered to be "wire."

The Tariff Schedules of the United States define "wire" as a drawn product not over 0.703 inch in diameter. "Bars," including cold finished bars, are defined as products of solid section not conforming to the definitions for other specified products, including "wire." Thus, the definition of "wire" takes precedence over that of "bar." Since the definition of wire includes any drawn product up to 0.703 inch in diameter, whether in coiled form or cut to length, cold finished bars now fall into this category. Only products over 0.703 inch can be considered to be cold finished bars.

The result is that the tariff schedules do not recognize the existence of cold finished bars 0.703 inch or less in diameter. Yet such products account for about 20 percent of domestic production of cold finished steel bars.

This anomaly in the tariff schedules results in a substantial loss or revenues to the United States since wire is dutied at $6 per ton against the $40 per ton ordinarily applicable to CFSB imports. In 1978, when 48,000 tons of steel bar was classified as wire, the loss approximated $1,600,000 in duties.

Other Government entities have already corrected the anomaly. The Commerce Department has modified the export schedule B so that the definition of "wire" is limited to coiled products. In addition, Representatives of the European communities and the Government of Japan have proposed a similar limitation to the definition of "wire" in the Brussels tariff nomenclature.

In the United States, the greatest share of cold finished bars are made by relatively small companies, often family owned. About 12,000 American workers are directly employed in the production of cold finished bars, and approximately another 12,000 produce the raw material for cold finished bars.

For these reasons, I urge my colleagues' support for H.R. 4309 which would clarify that "wire" is a product sold in coil form only. Any drawn product otherwise meeting the definitional requirement of "bar" would be considered a cold finished steel bar. This measure would assure the proper classification of cold finished steel bar imports and prevent any monetary loss to the U.S. Government.

I conclude with gratitude to my cosponsors for their work in support of this bill. I am particularly grateful to Mr. LEDERER, whose understanding and legislative ability were instrumental in clearing this bill for action today.

● Mr. WALGREN. Mr. Speaker, I rise in support of H.R. 4309, a bill to amend the U.S. Tariff Schedules. Specifically, H.R. 4309 would fairly and appropriately reclassify many cold finished steel bar (CFSB) products from the category of "wire" to the category of "bars."

On the surface, this may not appear to be a crucial or even important distinction. However, this misclassification of some steel "bars" as "wire" involves 20 to 25 percent of our total imports of steel bars. Further, this anomaly results in a loss of revenues to the United States since wire products are dutied at $6 per ton as opposed to $40 per ton charged against steel bars. The total revenue loss exceeds $1.6 million.

I think it is important to note that the duty on those products now classified a "wire" would be raised only to the level of other "bar" products. Since the higher duty on "bar" products has not prevented record imports, the equalization of duties would not result in any significant reduction in existing trade.

It is important that we correct this inequity through remedial legislation expressing the congressional intent to remove this loophole in our tariff schedule. This bill would correct a mistake that is acknowledged by all objective observers—including those representing supplying countries.

Again, I want to urge my colleagues to support H.R. 4309 as a part of the continuing effort to improve upon our trade rules. I also want to commend my distinguished colleague, Representative ADAM BENJAMIN, for his fine job as the sponsor of this legislation as well as his active role in the Congressional Steel Caucus.●

Mr. VANIK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. VANIK) that the House suspend the rules and pass the bill, H.R. 4309, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MISCELLANEOUS TARIFF SCHEDULES AMENDMENTS

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5441) to amend the Tariff Schedules of the United States with respect to the tariff treatment of certain articles, as amended.

The Clerk read as follows:

H.R. 5441

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT DUTY-FREE TREATMENT FOR SYNTHETIC TANTALUM-COLUMBIUM CONCENTRATES.

(a) Part 1 of schedule 6 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 603.65 the following new item:

"603.67	Materials, other than the foregoing, which are synthetic tantalum-columbium concentrates	Free	30% ad val.".	

(b) Item 911.27 of the Appendix to such Schedules is repealed.

(c) The amendments made by subsections (a) and (b) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

SEC. 2. PERMANENT DUTY-FREE TREATMENT FOR CERTAIN CARILLON BELLS.

(a)(1) Item 725.38 of the Tariff Schedules of the United States (19 U.S.C. 1202, relating to chimes, peals, or carillons containing over 34 bells) is amended by striking out "3% ad val." and inserting in lieu thereof "Free".

(2) The amendment made by paragraph (1) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

(b)(1) The Secretary of the Treasury shall admit free of duty 47 carillon bells (including all accompanying parts and accessories) for the use of Wake Forest University, Winston-Salem, North Carolina, such bells being provided by the Paccard Fonderie de Cloches, Annecy, France.

(2) If the liquidation of the entry for consumption of any article subject to the provisions of paragraph (1) has become final, such entry shall be reliquidated and the appropriate refund of duty shall be made, notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514).

SEC. 3. TEMPORARY SUSPENSION OF DUTY ON CERTAIN ALLOYS OF COBALT.

(a) Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting in numericial sequence the following new item:

"911.90	Unwrought alloys of cobalt containing, by weight, 76% or more but less than 99% cobalt (provided for in item 632.84, part 2K, schedule 6)	Free	No change	On or before 6/30/82".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

SEC. 5. TEMPORARY SUSPENSION OF DUTY ON BICYCLE PARTS AND ACCESSORIES.

(a) Item 912.05 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "6/30/80" and inserting in lieu thereof "6/30/83".

(b) Item 912.10 of the Appendix to such Schedules is amended—

(1) by inserting "two-speed hubs with internal gear-changing mechanisms," immediately after "coaster brakes,";

(2) by striking out "rims," and inserting in lieu thereof "frame lugs,"; and

(3) by striking out "6/30/80" and inserting in lieu thereof "6/30/83".

(c) The amendments made by subsections (a) and (b) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

SEC. 5. TEMPORARY SUSPENSION OF DUTY ON MANGANESE ORE AND RELATED PRODUCTS.

(a) Item 911.07 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended

by striking out "6/30/79" and inserting in lieu thereof "6/30/82".

(b)(1) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

(2) Upon request therefor filed with the customs officer concerned on or before the 90th day after the date of the enactment of this Act, the entry or withdrawal of any article—

(A) that was made after June 30, 1979, and before the date of the enactment of this Act; and

(B) with respect to which there would have been no duty if the amendment made by subsection (a) applied to such entry or withdrawal;

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of the enactment of this Act.

SEC. 6. PERMANENT DUTY-FREE TREATMENT FOR CERTAIN MODELS OF HOUSEHOLD FURNISHINGS AND ACCESSORIES.

(a) Subpart E of part 5 of schedule 7 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by striking out "(except parts)" in headnote 1 and inserting in lieu thereof "(except parts other than parts of models classified in item 737.08)";

(2) by amending the superior heading immediately preceding item 737.05—

(A) by striking out "and" immediately before "construction kits", and

(B) by inserting immediately before the colon the following: "; and parts of models classified in item 737.08"; and

(3) by inserting immediately after item 737.07 the following new item:

"737.08	Models of household furnishings, lamps, lighting fixtures, other household accessories, and building parts of houses, and parts thereof, and kits for constructing same; all the foregoing made approximately to ½ scale (whether or not made to scale of an actual article).	8% ad val.	45% ad val."

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

SEC. 7. DEFINITION OF RUBBER FOR PURPOSES OF THE TARIFF SCHEDULES.

(a) Headnote 2 to subpart B of part 4 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended to read as follows:

"2. (a) For the purposes of the tariff schedules, the term 'rubber' means any substance, whether natural or synthetic, in bale, crumb, powder, latex, or other crude form, that—

"(i) can be vulcanized or otherwise cross-linked, and

"(ii) after cross-linking, can be stretched at 68 F. to at least three times its original length and that, after having been stretched to twice its original length and the stress removed, returns within 5 minutes to less than 150 percent of its original length.

"(b) For purposes of the tariff schedules other than schedule 4, the term 'rubber' also means any substance described in subdivision (a) that also contains fillers, extenders, pigments, or rubber-processing chemicals, whether or not such substance, after the addition of such fillers, extenders, pigments, or chemicals, can meet the tests specified in clauses (i) and (ii) of subdivision (a).".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, on or after the date of the enactment of this Act.

SEC. 8. MISCELLANEOUS AMENDMENTS TO THE TRADE AGREEMENTS ACT OF 1979.

The Trade Agreements Act of 1979 (Public Law 96-39, 93 Stat. 144-317) is amended as follows:

(1) Paragraph (8) of section 510 is amended by striking out "item 719.—" and inserting in lieu thereof "items 717.—, 718.—, and 719.—".

(2) The rate of duty column in section 514(a) is amended—

(A) by striking out "1% ad val." opposite each of items 607.01, 607.02, 607.03, and 607.04 and inserting in lieu thereof "Additional duty of 1% ad val."; and

(B) by striking out "0.5% ad val. + additional duties" opposite item 607.21 and inserting in lieu thereof "1% ad val. + additional duties".

(3) Subsection (a) of section 601 is amended—

(A) by inserting immediately after "such articles" in paragraph (2) the following: "(other than flight simulating machines classified in item 678.50 and civil aircraft classified in item 694.15, 694.20, or 694.40)"; and

(B) by amending paragraph (3) to read as follows:

"(3) Section 466 of the Tariff Act of 1930 (19 U.S.C. 1466) is amended by adding at the end thereof the following new subsection:

"'(f) CIVIL AIRCRAFT EXCEPTION.—The duty imposed under subsection (a) shall not apply to the cost of equipments, or any part thereof, purchased, of repair parts or materials used, or of repairs made in a foreign country with respect to a United States civil aircraft, within the meaning of headnote 3 to schedule 6, part 6, subpart C of the Tariff Schedules of the United States.'".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio (Mr. VANIK) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5441 contains eight noncontroversial sections relating to duty-free entry, temporary duty suspension, product reclassification, and redefinition, and correction of technical errors in the Trade Agreements Act of 1979.

The purpose of section 1 of H.R. 5441 is to permanently eliminate the column 1 (MFN) rate of duty on synthetic tantalum/columbium concentrate, repealing the existing duty suspension. The 7.5 precent duty has been suspended since November 1977.

Synthetic tantalum/columbium concentrate is used in the production of high-grade steel which in turn is used in heavy equipment, oil and gas pipelines, and structural members of buildings and bridges. Tantalum metal is a vital input for most electronic circuitry used in computers, communications equipment, military systems, and consumer electronics, as well as an alloying ingredient in superalloys used in jet-engine parts.

There is no known domestic production of either natural or synthetic tantalum/columbium concentrate and domestic industry must rely totally on imports. No objections to this section were received by the committee from any source.

Section 1 would eliminate our unnecessary charge on a resource material not produced in the United States and for which there is a growing demand.

Mr. Speaker, the purpose of section 2 of H.R. 5441 is to admit free of duty 47 carillon bells, including their parts and accessories, for the use of Wake Forest University, Winston-Salem, N.C. The bells entered the United States in May 1978 and were installed in November 1978.

Currently, there is only one domestic producer of sets of cast, tuned bells. Production of bell sets is valued at about $100,000 annually. No sets containing over six bells were produced in 1978, because the company did not receive orders for larger sets.

Imports of cast, tuned bell sets containing over 34 bells increased from $51,000 in value in 1973 to $323,000 in 1978. The 1978 imports reflect four or five sets. Imports accounted for all apparent domestic consumption in 1978.

Reports not objecting to enactment of section 2 of H.R. 5441 were received from the Department of Commerce and the Special Trade Representative.

On the grounds that carillon bells containing over 34 bells are not manufactured in the United States, the committee amended section 2 of H.R. 5441 to permanently eliminate the duty on TSUS 725.38. The committee also made a technical amendment to reflect accepted TSUS language

Mr. Speaker, the purpose of section 3 of H.R. 5441 is to temporarily suspend the column 1 (MFN) rate of duty on certain alloys of cobalt through June 30, 1982.

Cobalt is a hard, tough metallic element principally used to make corrosion resistant alloys which retain their strength at high temperatures, for use, for example, in jet engine parts. It is also used in the manufacture of alloys for permanent magnets.

Since 1976, supplies of cobalt have been tight and prices have increased substantially. The weighted average producer price, per pound of cobalt, was $4.44 in 1976; by the end of 1978 prices had risen to $18.20 per pound, with prices on the spot market as high as $55 per pound. Such price increases, and the limited availability of cobalt from traditional sources, would tend to stimulate production of these cobalt alloys.

There is only one domestic refinery for production of cobalt metal. Imported copper-nickel-cobalt matte from Botswana, New Caledonia, and South Africa is refined at this facility primarily for its nickel content. The rated production capacity for cobalt at the facility is 1 million pounds per year.

Cobalt alloys covered by section 3 are imported only from West Germany, and are a relatively recent phenomenon. It is estimated that 120,000 pounds of this material were imported within the past 12 months. In addition, it is estimated that a maximum of 260,000 pounds per year can be produced in West Germany for export to the United States. For comparative purposes, imports of unwrought

cobalt metal—other than cobalt alloys—and cobalt waste and scrap into the United States during 1978 totaled 16.5 million pounds.

Reports favoring H.R. 5441, section 3 were received from the Departments of Commerce and State. An informational report was received from the International Trade Commission.

The committee made two technical amendments to section 3 suggested by the International Trade Commission to reflect the proper numerical sequence in the Tariff Schedules of the United States and provide a product description which more accurately describes the article.

Mr. Speaker, the purpose of section 4 of H.R. 5441 is to extend the suspension of the column 1 (MFN) rate of duty on certain bicycle parts and accessories. The rationale for the duty suspension on certain bicycle parts and accessories has been to improve the ability of domestic producers to complete with foreign bicycle parts and accessories which are not available from domestic sources. The great bulk of imported bicycles are subject to rates of duty substantially lower—11 percent and 5.5 percent ad valorem—than the parts covered by the duty suspension which is 19 percent. Imports of complete bicycles have steadily increased their share of the domestic market.

The existing temporary suspension of duties on certain bicycle parts and accessories was originally enacted by Public Law 91-689 on June 12, 1971. It covers caliper brakes, drum brakes, coaster brakes, three-speed hubs not incorporating coaster brakes, click twist grips, click stick levels, multiple free wheel sprockets, cotterless type crank sets, rims, parts of the foregoing, and parts of bicycles consisting of sets of steel tubing cut to exact length and each set having the number of tubes needed for assembly. Section 4 of H.R. 5441 would remove "rims" from the present suspension and add "frame lugs" as an additional item.

The committee adopted an amendment which includes "two speed hubs with internal gear-changing mechanisms" in the coverage of those bicycle parts receiving duty-free treatment.

No objections to this section of the bill have been received from any source.

Mr. Speaker, section 5 of H.R. extends the suspension of the column 1 (MFN) rate of duty on manganese ore—including ferruginous ore—and related products from June 30, 1979 to June 30, 1982. Over 90 percent of the U.S. consumption of manganese ore is used for the production of ferromanganese for steel making. At the present time there is no commercial production of manganese ore in the United States. The last U.S. mine closed in 1970 and the remaining domestic deposits of manganese ore are small and of very low grade. The U.S. Bureau of Mines has indicated that there are no foreseeable changes in either technology or economics that would make domestic production of these reserves feasible. As a result the United States must rely on imports of manganese ore.

The suspension of duty on manganese ore helps domestic producers of ferromanganese compete with foreign suppliers of ferromanganese. Imports of ferromanganese have increased substantially over the last several years.

As a result of the multilateral trade negotiations (MTN), the duty on manganese ore—including ferruginous ore—and related products will be permanently eliminated, effective January 1, 1980. Therefore, without this legislation, duties will be applicable over a 6-month period—July 1979 through December 1979.

Section 5 also contains a provision which covers those entries made after the expiration of the prior duty suspension—June 30, 1979—and before the date of enactment of this act.

No objections to this section of the bill have been received from any source.

Mr. Speaker, section 6 of H.R. 5441 creates a separate tariff classification for miniature furnishings, household accessories, doll house buildings components, parts of these items, and kits for constructing these item.

Model household furnishings and accessories are high-valued pieces used chiefly for purposes of collection and decoration, generally through the creation of room or house displays of recognizable historical period or decor. The cost and sophistication of these articles, including the detail of construction and the approximate scale of 1 to 12, differentiates them from the less expensive and more crudely made doll house parts, and furnishings, and accessories used by children for play. It is not uncommon for a single piece of model furniture to cost several hundred dollars at retail. In addition, most children's products, if made to scale at all, are made on a ratio of 1 to 6 or 1 to 16.

There is only one known domestic producer of miniatures in commercial quantities. Domestic production is estimated to have a value of not more than $500,000 annually over the last 5 years.

Between 1974 and 1978, the value of imports of these articles are estimated to have increased from approximatelv $1 million to $6-$8 million annually. Imports of these articles do not generally compete with the domestic product as the domestic articles represent unique or specialized items having relatively small markets.

Current practice with respect to the classification of these articles has not been consistent, and the reclassification provided by this section will provide uniform treatment of imports of these articles.

The committee made technical amendments to conform the language in the headnote and the superior heading covering the new tariff item for these articles to the description of the articles contained in the item. The description of the articles covered by the new tariff item was also amended to eliminate redundant and ambiguous language.

Mr. Speaker, the purpose of section 7 of H.R. 5441 is to interpret and clearly define the meaning of "rubber" for purposes of the Tariff Schedules, in a manner consistent with the way in which the U.S. Customs Service has historically and uniformly interpreted that term.

At issue is whether the existing tariff definition of rubber—which contains a so-called stretch and return test—refers to substances which contain natural or synthetic rubber with fillers added or whether it refers only to the crude, natural form.

A recent court case overturned the Customs Service practice and made the "stretch and return" test applicable to rubber compounds and products as well as the crude substance. As a result of this interpretation, the court held that midsoles of certain basketball sneakers were not rubber, thus creating a loophole whereby such imported footwear will be able to avoid the duties specified in tariff item 700.60, for which the American Selling Price (ASP) basis of valuation is applicable.

The committee amended this definition so as to apply the existing "stretch and return" test for all of the Tariff Schedules, and to apply the second part of the definition—that is, the exemption of rubber substances which also contain other enumerated elements from the "stretch and return" test—to all the Tariff Schedules except schedule 4, Chemicals and Related Products.

No objections to this section of H.R. 5441 have been received from any source.

The committee agreed to include four amendments as section 8 of H.R. 5441 brought to its attention by the President's Special Trade Representative as necessary to correct inadvertent errors in the Trade Agreements Act of 1979, which implemented the results of the Multilateral Trade Negotiations. The amendments correct: First, the omission of a conforming amendment in section 510 eliminating unnecessary classifications in the tariff nomenclature for watch movements; second, printing errors in section 514 in new column 2 rates of duty for five tariff item numbers; third, a drafting error in section 601 pertaining to the certification required of parts for use in civil aircraft to qualify for duty-free treatment; and fourth, specific inclusion of "equipment" as well as "parts" in the exemption from duty on aircraft repairs abroad as intended by the civil aircraft agreement. These amendments are strictly technical in nature and there is no known opposition to them.

H.R. 5441, as amended, was ordered reported by voice vote, and I urge its passage.

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Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume. I rise to speak in support of H.R. 5441.

Mr. Speaker, as my colleague, the distinguished chairman of the Trade Subcommittee, has already suggested H.R. 5441 is an amalgam of several measures which came before the subcommittee individually and which the subcommittee and full committee favorably reported.

Section 1 of this bill would permanently eliminate the column 1 duty rate on synthetic tantalum/columbium concentrate. Synthetic tantalum/columbium concentrate is used interchangeably with the natural material for producing ferroalloys used in steel production. Steel produced with this product are often used in heavy equipment, oil and gas pipelines,

structural members of buildings, bridges and in architectural trim. Furthermore, tantalum metal is a basic material in the production of tantalum capacitors. It is a vital component in most electronic circuitry for computers, communication equipment, military systems. Columbium oxide is an ingredient in the superalloys used in jet engine parts and other high strength specialty steels.

There is no known domestic production of either natural or synthetic tantalum/columbium concentrate. The last mining of the natural material was in 1969. The revenue loss for this section is $161,250 in fiscal 1980, $45,000 annually thereafter. This section would eliminate an unnecessary cost to domestic users for a resource material which is not produced commercially in the United States. No objections were heard to this section.

Section 2 of this bill provides for duty-free admission of 47 carillon bells (including accompanying parts and accessories) for the use of Wake Forest University.

The McShane Bell Foundry Co., Inc., of Glen Burnie, Md., is the only domestic producer of sets of cast, tuned bells. Production of bell sets is valued at about $100,000 annually, but no sets containing over six bells were produced in 1978 as no order for larger sets was received. In contrast, the value of imports of cast, tuned bell sets containing over 34 bells increased from $51,000 to $323,000 in the period 1973 to 1978. Consequently, the committee included a further provision eliminating the duty on bell sets with over 34 bells which entered under TSUS 725.38.

No objections were raised to this section. The fiscal 1980 revenue loss is $7,500 and $10,000 annually thereafter.

Section 3 of H.R. 5441 provides for a new item 911.80 in subpart B of part 1 of the TSUS which would allow for a temporary suspension of the column 1 rate of duty on certain alloys of cobalt through June 30, 1982.

Cobalt alloys are used to make corrosion alloys which retain their strength at high temperatures. These alloys are used in jet engines. Cobalt alloys are also used in the manufacture of permanent magnets.

Domestic production of cobalt is insufficient to supply demand. In 1978 it was approximately 643,000 pounds while imports of cobalt metal and cobalt waste and scrap totaled about 16.5 million pounds. The cobalt alloys under consideration here are produced from low-grade slag and comes from West Germany. In 1978, 120,000 pounds of the material were imported and it is thought that 360,000 pounds can be produced in West Germany. Cobalt obtained in this fashion is much cheaper than that obtained from the usual sources. Since 1976 cobalt from usual sources has risen in price from $4.44 to $18.20 per pound in 1978. Prices on the spot market have been as high as $55 per pound.

The estimated revenue loss is estimated at $847,000, in fiscal 1980, about $1.1 million in 1981, and $847,000 in fiscal 1982. The Departments of Commerce and State submitted reports favoring this section.

Originally section 4 of this bill provided for a duty suspension on fluorspar, but the suspension is before us as a separate bill, H.R. 3352. The new section 4 provides for the continuation of the duty suspension on certain bicycle parts. The current suspension expired on June 30, 1978. This section extends the suspension until June 30, 1983.

The purpose of this duty suspension, which was first granted in 1971, has been to improve the ability of domestic producers to compete with foreign bicycle manufacturers by reducing the landed cost of certain imported bicycle parts and accessories which are not available from domestic sources. Most imported bicycles are subject to duty rates substantially lower than the parts covered by this suspension.

This section continues the suspension on the same parts which have been covered except that it removes "rims" and adds "frame lugs" and "two speed hubs with internal gear-changing mechanisms."

Favorable reports were received from the Department of Commerce and the Office of the Special Trade Representative. Revenue loss for this section will be about $2.7 million in fiscal 1980; $10.6 million in fiscal 1981 and 1982. In 1983 it is expected that an $8 million revenue loss will be suffered.

Section 5 of H.R. 5441 would suspend duty on imports of manganese ore (including ferruginous ore) and related products. As a result of the multilateral trade negotiations, the duty on manganese ore (including ferruginous ore) and related products will be permanently eliminated, effective January 1, 1980. This section provides for duty suspension to continue on those items entered after the expiration of the prior suspension, June 30, 1979, and before application of the duty elimination under the MTN.

No objections were raised to this section. The one-time revenue loss will be approximately $375,000.

Section 6 of this bill would create a separate tariff classification for miniature furnishings, household accessories, dollhouse building components, and so forth. Current practice with respect to the classification of these articles has not been consistent and the reclassification provided by this section will provide uniform treatment of imports of these articles.

The revenue loss for this section is estimated at $562,000 in fiscal 1980 and $750,000 thereafter.

Section 7 of the bill would amend the TSUS to redefine the meaning of rubber. A recent court decision overturned the established practice of the Customs Service in classifying rubber. That decision provided a loophole which permits rubber footwear to avoid duties under the American selling price basis of valuation. This section would close such a loophole.

Favorable reports were received from the Departments of Commerce, Treasury, and from the Office of the Special Trade Representative. There is no revenue loss suffered as a result of this section.

The final section of H.R. 5441 makes four technical amendments correcting errors in the Trade Agreements Act of 1979. It is without revenue impact and without objection.

I urge my colleagues to support this legislation as it will, in all instances, operate to reduce inflation and in most instances will better enable U.S. producers to compete with imports.

Mr. VANIK. Mr. Speaker, I want to take this time to express my gratitude to the members of the Subcommittee on Trade, from the minority, the gentleman from Minnesota (Mr. FRENZEL), and the gentleman from Michigan (Mr. VANDER JAGT). We resolve our decisions in this subcommittee on the basis of economic considerations and politics seldom has a part in what we do. I certainly want to thank all of the members of the committee for their cooperation in the group of bills we presented to the House today.

I yield back the balance of my time.

● Mr. NEAL. Mr. Speaker, section 2 of H.R. 5441 would refund to Wake Forest University of Winston-Salem, N.C., the duty due on a set of 47 tuned carillon bells imported from the Paccard Co. of Annecy, France. The amount of duty at issue is $4,045.

In the course of approving this duty waiver, which I sponsored as H.R. 4385, the Committee on Ways and Means went further and voted for a permanent duty waiver on all sets of more than 34 carillon bells.

As far as I can determine, this is a simple case. Numerous other educational and religious institutions have been granted duty-free entry of similar purchases of carillon bells. I believe that Wake Forest, as a small, private, church-related institution, should be given the same consideration. The committee amendment assures that future waivers of duty on these bells will not require legislation.

In making its purchase, Wake Forest concluded that bells meeting its specifications were not available from U.S. manufacturers. A study by the U.S. International Trade Commission found that only one U.S. company, with limited production facilities, manufactures large sets of tuned bells.

The Wake Forest bells are installed in Wait Chapel, which also serves as a Baptist church for the university and the surrounding community. The bells were dedicated last November and have brought much pleasure to the university community and to the people of Winston-Salem.

I am certain that the bells will be played with great joy and enthusiasm on the evening of December 22, 1979. That will be the day that Wake Forest's superb football team defeats Louisiana State University in the Tangerine Bowl.

As for this waiver of duty, I would like to emphasize that, even though the amount of customs duty at stake is small, a refund would be of considerable help to a privately supported institution in this time of inflation. I believe that it will be appropriate and equitable to exempt Wake Forest from payment of duty on these bells.●

The SPEAKER pro tempore. The question is on the motion offered by the

gentleman from Ohio (Mr. VANIK) that the House suspend the rules and pass the bill, H.R. 5441, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VANIK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

NATO MUTUAL SUPPORT ACT OF 1979

Mr. DAN DANIEL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5580) to authorize the Secretary of Defense to enter into certain agreements to further the readiness of the military forces of the North Atlantic Treaty Organization, as amended.

The Clerk read as follows:

H.R. 5580

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "North Atlantic Treaty Organization Mutual Support Act of 1979".

SEC. 2. (a) Title 10, United States Code, is amended by inserting after chapter 137 the following new chapter:

"Chapter 138—NORTH ATLANTIC TREATY ORGANIZATION ACQUISITION AND CROSS-SERVICING AGREEMENTS

"Sec.
"2321. Authority to acquire logistic support, supplies, and services for United States armed forces in Europe.
"2322. Cross-servicing agreements
"2323. Law applicable to acquisition and cross-servicing agreements.
"2324. Methods of payment for acquisitions and transfers by the United States.
"2325. Liquidation of accrued credits and liabilities.
"2326. Crediting of receipts.
"2327. Limitation on amounts that may be obligated or accrued by the United States.
"2328. Inventories of supplies not to be increased.
"2329. Regulations.
"2330. Annual reports.
"2331. Definitions.

"§ 2321. Authority to acquire logistic support, supplies, and services for United States armed forces in Europe

"Subject to section 2323 of this title and subject to the availability of appropriations, the Secretary of Defense may acquire from the Governments of North Atlantic Treaty Organization countries and from North Atlantic Treaty Organization subsidiary bodies logistic support, supplies, and services for elements of the armed forces deployed in Europe and adjacent waters.

"§ 2322. Cross-servicing agreements

"Subject to section 2323 of this title and to the availability of appropriations and after consultation with the Secretary of State, the Secretary of Defense may enter into agreements with the Government of any North Atlantic Treaty Organization country and with any North Atlantic Treaty Organization subsidiary body under which the United States agrees to provide logistic support, supplies, and services to military forces of such country or subsidiary body deployed in Europe and adjacent waters in return for the reciprocal provision of logistic support, supplies, and services by such country or subsidiary body to elements of the armed forces deployed in Europe and adjacent waters.

"§ 2323. Law applicable to acquisition and servicing agreements

"(a) Except as provided in subsection (b), acquisition of logistic support, supplies, and services under section 2321 of this title and agreements entered into under section 2322 of this title shall be made in accordance with chapter 137 of this title and the provisions of this chapter.

"(b) Sections 2207, 2304(g), 2306(a), 2306(b), 2306(e), 2306(f), and 2313 of this title, section 3741 of the Revised Statutes (41 U.S.C. 22), and section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168) shall not apply to acquisitions made under the authority of section 2321 of this title or to agreements entered into under section 2322 of this title.

"§ 2324. Methods of payment for acquisition and transfers by the United States

"(a) Logistics support, supplies, and services may be acquired or transferred by the United States under the authority of this chapter on a reimbursement basis or by replacement-in-kind or exchange of supplies or services of an identical or substantially identical nature.

"(b)(1) In entering into agreements with the Government of another North Atlantic Treaty Organization country for the acquisition or transfer of logistic support, supplies, and services on a reimbursement basis, the Secretary of Defense shall negotiate for adoption of the following pricing principles for reciprocal application:

"(A) The price charged by a supplying country for logistics support, supplies, and services specifically procured by the supplying country from its contractors for a recipient country shall be no less favorable than the price for identical items or services charged by such contractors to the armed forces of the supplying country, taking into account price differentials due to delivery schedules, points of delivery, and other similar considerations.

"(B) The price charged a recipient country for supplies furnished by a supplying country from its inventory, and the price charged a recipient country for logistics support and services furnished by the officers, employees, or governmental agencies of a supplying country, shall be the same as the price charged for identical supplies, support, or services acquired by an armed force of the supplying country from such governmental sources.

"(2) To the extent that the Secretary of Defense is unable to obtain mutual acceptance by the other country involved of the reciprocal pricing principles for reimbursable transactions set forth in paragraph (1)—

"(A) the United States may not acquire from such country any logistic support, supply, or service not governed by such reciprocal pricing principles unless the United States forces commander acquiring such support, supply, or service determines (after price analysis) that the price thereof is fair and reasonable; and

"(B) transfer by the United States to such country under this Act of any logistic support, supply, or service that is not governed by such reciprocal pricing principles shall be subject to the pricing provisions of the Arms Export Control Act (22 U.S.C. 2751 et seq.).

"(3) To the extent that indirect costs (including charges for plant and production equipment), administrative surcharges, and contract administration costs with respect to any North Atlantic Treaty Organization country are not waived by operation of the reciprocal pricing principles of paragraph (1), the Secretary of Defense may, on a reciprocal basis, agree to waive such costs.

"(4) The pricing principles set forth in paragraph (2) and the waiver authority provided in paragraph (3) shall also apply to agreements with North Atlantic Treaty Organization subsidiary bodies under this chapter.

"§ 2325. Liquidation of accrued credits and liabilities

"Credits and liabilities of the United States accrued as a result of acquisitions and transfers of logistic support, supplies, and services under the authority of this chapter shall be liquidated not less often than once every three months by direct payment to the entity supplying such support, supplies, or services by the entity receiving such support, supplies, or services.

"§ 2326. Crediting of receipts

"Any receipt of the United States as a result of an agreement entered into under this chapter shall be credited to applicable appropriations, accounts, and funds of the Department of Defense.

"§ 2327. Limitation on amounts that may be obligated or accrued by the United States

"(a) Except during a period of active hostilities involving the North Atlantic Treaty Organization, the total amount of reimbursable liabilities that the United States may accrue under this chapter (before the computation of offsetting balances) may not exceed $100,000,000 in any fiscal year, and of such amount not more than $25,000,000 in liabilities may be accrued for the acquisition of supplies (other than petroleum, oils, and lubricants).

"(b) Except during a period of active hostilities involving the North Atlantic Treaty Organization, the total amount of reimbursable credits that the United States may accrue under this chapter (before the computation of offsetting balances) may not exceed $100,000,000 in any fiscal year.

"§ 2328. Inventories of supplies not to be increased

"Inventories of supplies for elements of the armed forces may not be increased for the purpose of transferring supplies under the authority of this Act to military forces of any North Atlantic Treaty Organization country or any North Atlantic Treaty Organization subsidiary body.

"§ 2329. Regulations

"The Secretary of Defense shall prescribe regulations to implement this chapter and shall, not later than sixty days before the effective date of such regulations, transmit copies of such regulations to the Congress. No agreement to make an acquisition or transfer under the authority provided by this chapter may be entered into until such regulations take effect.

"§ 2330. Annual reports

"The Secretary of Defense shall submit to the Congress not later than February 1 of each year a report containing—

"(1) a description of each agreement entered into under the authority of this chapter that was in effect during the fiscal year preceding the fiscal year in which such report is submitted;

"(2) a report of the dollar value of each reimbursable acquisition or transfer of logistic support, supplies, or services by the United States (by appropriation, account, or

fund) during such fiscal year under each such agreement;

"(3) a report of nonereimbursable acquisitions and transfer of logistic support and services by the United States (by appropriation, account, and fund) during such fiscal year under each such agreement; and

"(4) a description of each agreement entered into (or expected to be entered into) under the authority of this chapter that is expected to be in effect during the fiscal year in which such report is submitted, together with a report of the estimated total dollar value of acquisitions and transfers by the United States (by appropriation, account, or fund) expected to be made during such fiscal year under each such agreement.

"§ 2331. Definitions

"In this chapter:

"(1) 'Logistic support, supplies, and services' means food, billeting, transporttion, petroleum, oils, lubricants, clothing, communications services, medical services, ammunition, base operations support (and construction incident to base operations support), storage services, use of facilities, training services, spare parts and components, repair and maintenance services, and port services.

"(2) 'North Atlantic Treaty Organization subsidiary bodies' means—

"(A) any organization within the meaning of the term 'subsidiary bodies' in article I of the multilateral treaty on the Status of the North Atlantic Treaty Organization, National Representatives and International Staff, signed at Ottawa on September 20, 1951 (TIAS 2992; 5 UST 1087); and

"(B) any international military headquarters or organization to which the Protocol on the Status of International Military Headquarters Set Up Pursuant to the North Atlantic Treaty, signed at Paris on August 28, 1952 (TIAS 2978; 5 UST 870), applies.".

(b) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of title 10, United States Code, are amended by inserting after the item relating to chapter 137 the following new item:

"138. North Atlantic Treaty Organization Acquisition and Cross-Servicing Agreements..... 2321".

The SPEAKER pro tempore. Is a second demanded?

Mr. DICKINSON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Virginia (DAN DANIEL) will be recognized for 20 minutes, and the gentleman from Alabama (Mr. DICKINSON) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. Mr. Speaker, H.R. 5580 authorizes the Secretary of Defense after consultation with the Secretary of State to enter into certain agreements to further the readiness of the military forces of the North Atlantic Treaty Organization.

It waives certain provisions of contract law in order that the Secretary may more expeditiously acquire logistical support, supplies and services for the U.S. Armed Forces in Europe.

What is the history of this proposal?

The Department of Defense has presented two bills which were unacceptable to the subcommittee, because the authority requested exceeded that which in the judgement of the committee was needed.

H.R. 5580 as amended responds appropriately to the problems it addresses.

Is there a need?

There is unquestionably a critical need for NATO to become a more closely integrated military force.

Arms cooperation and weapons standardization, the high-ticket items, have captured the headlines.

But it is a host of unglamorous issues and arrangements which will have the real impact on force readiness in the alliance.

I am speaking of day-to-day, commonsense things such as feeding and billeting NATO allies attached to U.S. units during integrated training exercises, providing medical services to them, refueling allied vehicles and aircraft, and using host nation capabilities to maintain U.S. bases, providing laundry services and routine nontactical transportation services.

We can do some of these things today but the procedures are cumbersome, time consuming, bound up in redtape which, in some cases, is offensive to our allies.

What solutions does it offer?

The bill has two fundamental objectives:

First. To facilitate U.S. "agreements" with NATO countries for the acquisition of host nation support services and supplies without making those sovereign nations subject to provisions of U.S. domestic procurement law which they find offensive; and

Second. To enable the United States to provide similar services and supplies to NATO nations through cross-servicing agreements without having to treat each transaction as a foreign military sales case under the Arms Export Control Act.

Sections 2321 and 2322 provide the authority the Secretary of Defense needs to accomplish these objectives.

The second objective is primarily under the jurisdiction of the Committee on Foreign Affairs.

This is the reason for the joint referral of the bill.

The underlying premise of sections 2321 and 2322 is that the traditional seller-customer concept is not appropriate to the relationship between sovereign nations of an alliance seeking to enhance military readiness through cooperative arrangements to provide reciprocal logistic support of a routine nature.

How will the bill be implemented?

Sections 2323–2326 deal with the question of how the authority granted under sections 2321 and 2322 is to be implemented:

Section 2323 provides that with certain exceptions, all U.S. acquisition and transfer agreements authorized must continue to be made in accordance with chapter 137 of title 10 of the United States Code—the chapter dealing with military procurement law.

Increasingly, our field commanders have had difficulty increasing the use of host nation support because the NATO allies have objected to signing agreements structured by U.S. procurement law.

They believe it is offensive to sovereign nations when asked to conform to another nation's essentially domestic procurement laws.

Generally, our commanders have found that the allies believe they should sign agreements, not contracts.

This sensitivity—whether we agree with it or not—it is a fact of life that we have to deal with.

Several European NATO countries, most notably the Netherlands, have served notice on us that they are simply not going to sign any more contracts structured on U.S. procurement law.

It has now progressed to the point where it could well be impossible to conduct integrated training exercises such as Reforger unless we provide our military commanders in Europe waiver authority with respect to certain provisions of the law: among the provisions is section 2306(b) which demands a warranty must be included in contracts that commissions were not paid to selling agents hired specifically for the purpose of winning the contract.

European allies object to making these warranties since in dealings between nations such warranties imply that the nation making the warranty is inferior to the other and that dealings between them are not based on a concept of equality.

Another provision which sticks in their throats is a section of the Code (41 U.S.C. 22) which provides that all agreements must include a clause stating that no Member of Congress may receive any benefit from a contract.

The European position is very simple: Members of Congress do not have the leverage to influence European national procurements.

Section 2324 of the bill spells out the methods of payment for logistic support, supplies and services the United States will acquire or provide under the act.

The key feature of section 2324 is reciprocity.

Currently, the U.S. military sales are subject to pricing provisions of the Arms Export Control Act which means that we add administrative surcharges, prorated retirement costs, and so forth, into the price.

The result is that we are required to charge our allies substantially more for supplies and services than we charge our own armed services.

This situation invites a similar pricing structure by our allies—a situation which does not serve the best interests of NATO.

Section 2324 directs the Secretary of Defense to negotiate reciprocal pricing agreements in which we would agree to charge each other basically what is charged each nation's own armed services for the same supplies and services—in other words, the lowest possible cost.

However, if a country will not agree to reciprocity, U.S. supplies and services must be priced according to the pricing provisions of the Arms Export Control Act.

But are there sufficient safeguards?

Sections 2327–2331 constitute a series of limitations and safeguards on the au-

thority granted to the Secretary of Defense to insure that the legislation is used only for the purposes intended.

They represent subcommittee initiatives not contemplated in the original Department of Defense request last year and not adequately addressed in legislation proposed by the Department this year.

They are consistent with expressions of concern by Members and outside witnesses representing U.S. industry and labor.

Section 2327 limits the authority to acquire or transfer supplies and services to $100 million in any fiscal year.

The authority for acquisitions—or purchases by the United States—is further subject to a limitation of $25 million with respect to supplies.

Implementation is specifically limited to the availability of funds provided in appropriations acts before it is utilized.

By limiting the potential acquisition of supplies to $25 million in any fiscal year, the Congress is thus, assured that the authority will be used only to enhance readiness.

Section 2328 provides that U.S. stocks cannot be increased for the purpose of meeting European demands on our supply system.

Without such a restriction the potential exists for European countries to allow reductions in their stock levels by relying on the U.S. supply system instead of investing in their own inventory.

Such a practice would obviously have a negative rather than positive effect on overall alliance readiness and would constitute a form of U.S. subsidy to NATO European military forces.

Section 2329 allows the Congress 60 days in which to review DOD's regulations before the authority granted by the Act can be implemented.

This safeguard will insure that the Department does not expand the scope of the legislation by "interpretation".

Section 2330 provides for a detailed annual report to the Congress enumerating each agreement entered into; the dollar value of all reimbursable transactions during the previous fiscal year; a reporting of nonreimbursable transactions; and a description of proposed agreements the Department expects to conclude in the upcoming fiscal year.

Finally, section 2331 defines the term "Logistic support, supplies and services" to mean only a specific group of things.

Elements of the definition such as "food," "billeting," and "base operations support" are further defined in the committee report as part of the legislative history.

To summarize, Mr. Speaker, H.R. 5580 as amended has one underlying purpose—to give field commanders the flexibility required to enhance the readines of NATO forces in Europe.

It is not a backdoor mechanism to promote a "two-way street" in defense trade with Europe.

Nor is it another abstract political symbol that would create illusions of alliance solidarity without substance.

H.R. 5580 as amended addresses specific readiness problems and provides specific legislative solutions.

It contains the minimum waiver authority deemed necessary by our field commanders to get the job done without doing violence to the Military Procurement Act. It also contains important safeguards to assure that the authority cannot be abused as well as a provision requiring DOD to submit implementing regulations to Congress 60 days prior to action. It is limited to the availability of funds and has no budget impact.

DOD and specifically, Gen. Bernard Rogers, Supreme Allied Commander, Europe, support the bill and acknowledge that it will fully meet the need for the present. And I urge the adoption of H.R. 5580 as amended.

Mr. HAMILTON. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Speaker, I rise in support of H.R. 5580, the North Atlantic Treaty Organization Act of 1979, a bill authorizing the Secretary of Defense to enter into agreements to further the readiness of NATO's military forces.

The Committee on Foreign Affairs is interested in the legislation because it seeks to strengthen the NATO alliance and its military capabilities and because it would allow the United States to provide logistics supplies and services to our NATO allies without treating each transaction as a foreign military sales case, under provisions of the Arms Export Control Act.

We have assurances against any abuse of this authority. Safeguards include:

A ceiling of $100 million on the total amount of transfers that can be made by the United States to its NATO allies under this act in a fiscal year;

Minimal possibilities of third-country transfers or of improper end use of supplies and services;

No major end items or single transfers of an amount that would trigger the section 36(b) notification procedures are involved.

Mr. Speaker, over the past 3 years, the United States and its NATO allies have been engaged in a series of measures designed to improve NATO's ability to meet threats to Western security. This legislation is but one part of a larger attempt to fulfill our goals of—

Strengthening the NATO alliance;

Improving NATO standardization and cooperation;

Streamlining host-nation logistics support of U.S. forces in Europe; and

Improving working relationships within NATO.

Mr. Speaker, this legislation would reduce U.S. deployed logistical structure by allowing the United States to take maximum advantage of logistics supplies and services available in Europe. By permitting easier reciprocal purchase and exchange of vital and necessary supplies and services, this legislation contributes to overall NATO logistic effectiveness and combat readiness. Many of our allies believe that new procedures will enhance 1980 NATO training exercises and maneuvers.

Mr. Speaker, I urge passage of H.R. 5580 and would like to congratulate the gentleman from Virginia (Mr. DAN DANIEL) for his leadership on this important piece of legislation which will strengthen our national security.

□ 1330

Mr. DAN DANIEL. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Speaker, I simply want to compliment the chairman of the committee and the ranking member of the committee for this legislation. Having had the experience in the last several months of observing some of the NATO forces and the needs in NATO, I am convinced this legislation is essential and it will answer, at least in part, some of the basic problems being faced by our own field commanders in Europe today.

This deals particularly with the training problems they have been confronting, the limitations due to the procedures that have been in effect before this legislation came into being. Therefore, I think it is in the best interests of our NATO forces in the total field in Europe and particularly for the American forces, and I compliment the committee and trust this legislation will be passed.

Mr. DAN DANIEL. Mr. Speaker, it was at the urging of the gentleman from New York (Mr. PEYSER) that we brought this measure to the floor as rapidly as we did. I wish to commend him for his continuing interest in the problems of NATO.

Mr. Speaker, I have no further requests for time.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5580, as amended, a bill which will further NATO military cooperation by satisfying the Defense Department's real host nation support requirements without resorting to the kind of blanket authority the Department originally requested. The goals are reasonable and I think worthwhile. We want to be able to negotiate agreements with NATO host nations for support which we need without treating sovereign nations as though we were contractors or they were contractors subject to American law. I think, unfortunately, Mr. Speaker, we have been somewhat arrogant in the past in our demands. As a matter of fact, in the testimony that came before our committee it was pointed out that the United Kingdom and other nations had refused to sign the certifications that we have been requiring because the sovereigns did not feel they needed to certify that they were not cheating or overcharging the United States, or one thing and another. What we are doing here is in our own interests because what we are providing is a device or mechanism whereby our troops can be fed, housed, or we can buy the materials if they are on maneuvers and so forth without going through a whole raft of redtape. It is in our interest that this be done.

The Supreme Allied Commander of NATO, General Rogers, supports this measure. The Secretary of Defense supports it. The chairman of the Foreign Affairs Committee of the House and the ranking minority member support it. Chairman PRICE and the ranking minority member on the Armed Services Committee, BOB WILSON, support this. Our distinguished colleague from Illinois, Mr.

FINDLEY, supports it, and that is most important to me.

I would just say it is in our interests that this bill pass. I know of no objection to it. I certainly support it.

Mr. Speaker, I rise in support of H.R. 5580, as amended, a bill which will further NATO military cooperation by satisfying the Defense Department's real host nation support requirements without resorting to the kind of blanket authority the Department originally requested.

The goals are reasonable and worthwhile. We want to be able to negotiate agreements with NATO host nations for support—which we need—without treating sovereign nations as though they were contractors subject to American law.

And on a limited basis—particularly during the course of integrated training exercises—we want to be able to support our allies with supplies and services without having to process an FMS case every time we feed a German battalion attached to a U.S. division for a couple of days training.

The bill recognizes that closer cooperation between the United States and its allies requires some exceptions to our customary way of doing business and—on the principle of reciprocity—it would permit cross-servicing arrangements.

However, it contains important safeguards:

First. It very carefully limits the provision of U.S. law which can be waived only to those provisions where a waiver is absolutely essential to accomplishing the purpose of the legislation.

Second. It spells out pricing principles to insure reciprocity and specifies that the United States will use the pricing principles of the Arms Export Control Act in its sales where the receiving country will not agree to reciprocal pricing principles.

Third. It very wisely limits the total liabilities and credits to $100 million in any fiscal year of which not more than $25 million could apply to reimbursable U.S. acquisitions of supplies. This provision will insure that the emphasis remains on the acquisition of host nation support services as opposed to hardware where emotions and dollars run high.

Fourth. Finally the bill contains very detailed reporting requirements so the Congress will have an annual opportunity to review the ways in which DOD is using its authority and to exercise appropriate oversight.

In summary, Mr. Speaker, I think this bill represents a balanced effort to address the needs of the services, the sensitivities of our NATO allies and the concerns of the Congress and the American taxpayers. I support the bill and I urge my colleagues on both sides of the aisle to do so as well.

Mr. Speaker, at this time I yield such time as he may consume to that outstanding orator from Middle America, the State of Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, the NATO Mutual Support Act is designed to facilitate NATO readiness. It waives complex U.S. contracting procedures for Alliance logistical arrangements. On a reciprocal basis, the U.S. military and the armed forces of our NATO partners will be able to obtain logistical supplies and services—such as food, fuel, and ammunition—without having to go through complicated procedures before each individual transaction. The complexity of such arrangements has prohibited, for example, American GI's from eating in a British mess hall in West Germany.

A facilitated reciprocal procurement process is extremely important to the success of upcoming Allied maneuvers in Europe. There will be more than 10 of these maneuvers in 1980. It is thus critical to approve this legislation prior to the end of the year in order not unnecessarily to hamstring NATO in the future as we have often done in the past.

The sense of security and confidence which NATO has provided the West for 30 years is now eroding because of the Soviet military build-up and the lack of better arrangements for military readiness between the United States and its European allies.

Although the NATO Mutual Support Act will provide new and better ways for the Alliance partners to maintain its collective security, we need to go beyond this bill to remedy NATO's most serious problems.

Indeed, there is an urgent need to seek new and creative ways to foster enhanced cohesion and unity among the partners of the North Atlantic Alliance. We need to undertake a thoughtful analysis of the institutions of NATO in order to stimulate their reinvigoration and revision. NATO is too essential to Western security to permit it to stagnate and to deteriorate, a phenomenon common to old institutions.

For example, it is surely time for NATO to look beyond its borders, recognizing that events far removed from the territory of member states bear directly on NATO security .

It is time to examine ways in which NATO nations can coordinate policy formulation and execution. Sea lane security is a pressing need, just to mention one area of need.

I would like to see the President of the United States, in a cooperative effort with the other NATO heads of state, appoint a Committee of Wise Men to deliberate ideas and propose new remedies and directions for NATO in order to improve its effectiveness. The end objective of all such proposals should be the reinforcement of the political and military unity of the North Atlantic Treaty Organization. The unity of the Atlantic Alliance, based on a strong defense deterrent and political solidity, will remain the key to our collective Western defense.

Mr. DICKINSON. Mr. Speaker, in conclusion, I would just like to draw the attention of the Members to the fact that NATO has an increasing significance and importance to all of us. While we have the RSI, so-called, rationalization, standardization and integration of weapons, and everything needed between the allies, I think this particular piece of legislation is very much needed because, as I have said, we seem to have taken on, I think, unintentionally, an arrogance to require a sovereign nation to certify certain things, as we have in the past, which, as I have stated, sometimes they have refused to do. I think it is in our best interests that this bill pass.

I have no further requests for time and I yield back the balance of my time.

● Mr. ZABLOCKI. Mr. Speaker, I rise in support of H.R. 5580, the NATO Mutual Support Act of 1979.

This legislation compliments and is consistent with previous efforts by the Committee on Foreign Affairs to enhance NATO standardization and readiness. Its principal purpose is to authorize the Secretary of Defense, after consultation with the Secretary of State, to enter into agreements with NATO countries and subsidiary bodies for acquisition and transfer of logistics support between the United States and NATO military forces. In entering into these agreements, the Secretary of Defense would be able to waive certain provisions of the Arms Export Control Act and other U.S. laws relating to acquisition and transfer of goods and services by the Department of Defense.

Mr. Speaker, the Committee on Foreign Affairs, in its consideration of H.R. 5580, determined that the exception to normal arms export procedures provided in this bill for our NATO allies will not adversely affect the policy objectives of the Arms Export Control Act. The authority in H.R. 5580 is also consistent with the worldwide arms transfer and security assistance policies of the United States, the responsibility for which is vested by law in the Secretary of State.

H.R. 5580 contains a number of safeguards designed to prevent abuse of the authority contained in the bill by the Secretary of Defense. An annual report to Congress on all transactions carried out with the NATO countries is mandated. Regulations issued by the Secretary of Defense to implement the authority of H.R. 5580 must be submitted to Congress before they become effective; $100 million ceilings are placed on both the acquisition and transfers of logistics support by the United States in any fiscal year. Finally, according to the Department of Defense, no transfers of a dollar value exceeding or equal to those which would trieger congressional notification and possible disapproval under section 36(b) of the Arms Export Control Act are involved in this legislation.

In light of these safeguards and understandings in H.R. 5580, and the importance of the bill for NATO readiness efforts, I urge its adoption and wish to commend the gentleman from Virginia (Mr. DAN DANIEL) for presenting a bill before the House that can be fully supported by both the Committee on Foreign Affairs and the Committee on Armed Services.●

● Mr. BROOMFIELD. Mr. Speaker, recently I had the privilege of attending the Brussels Conference on the Future of NATO as part of a study mission to Europe led by my good friend and colleague, CLEM ZABLOCKI, chairman of the House Foreign Affairs Committee. In Brussels, Dr. Kissinger and other political-military experts keynoted the conference with statements examining the North Atlantic Alliance's future concerns. The Brussels Conference, as well

as recent committee hearings on Western security, have left me with the distinct impression that the sense of security and confidence which NATO has always provided is now eroding because of the serious Soviet military buildup as well as a lack of better arrangements for military readiness between the United States and its European allies.

The legislation we have before us today is specifically designed to facilitate NATO readiness by enabling the United States to acquire such logistic support as food, lubricants and medical services from our European friends without entering into complex contracting procedures. The bill also allows our NATO allies to acquire similar logistical supplies and services without procedural complexities. In short, I believe that the NATO Mutual Support Act will provide new and better ways for the United States to join its good friends and allies in maintaining our collective security, and I urge my colleagues to support the bill.●

GENERAL LEAVE

Mr. DAN DANIEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. DAN DANIEL) that the House suspend the rules and pass the bill, H.R. 5580, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend title 10, United States Code, to authorize the Secretary of Defense to enter into certain agreements to further the readiness of the military forces of the North Atlantic Treaty Organization.".

A motion to reconsider was laid on the table.

ESTABLISHMENT OF WIND ENERGY SYSTEM RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM

Mr. FUQUA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5892) to provide for an accelerated program of wind energy research, development, and demonstration, to be carried out by the Department of Energy with the support of the National Aeronautics and Space Administration and other Federal agencies, as amended.

The Clerk read as follows:

H.R. 5892

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wind Energy Systems Research, Development, and Demonstration Act of 1979".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds—

(1) that the United States is faced with a finite and diminishing resource base of native fossil fuels and, as a consequence, must develop as quickly as possible a diversified, pluralistic national energy capability and posture;

(2) that the current imbalance between supply and demand for fuels and energy in the United States is likely to grow for many years;

(3) that the early demonstration of the feasibility of using wind energy for the generation of electricity and for mechanical energy could lead to relief in the demand for existing fuel and energy supplies;

(4) that the use of wind energy for certain limited applications has already proven feasible;

(5) that an aggressive research and development program should solve existing technical problems of converting wind energy into electricity and mechanical energy and, supported by an assured and growing market for wind energy during the next decade, should maximize the future contribution of wind energy to the Nation's future energy production;

(6) that it is the proper and appropriate role of the Federal Government to undertake research, development, and demonstration programs in wind energy technologies and to assist private industry, other entities, and the general public in hastening the general use of such technologies;

(7) that the widespread use of wind energy systems to supplement and replace conventional methods for the generation of electricity would have a beneficial effect upon the environment;

(8) that the evaluation of the performance and reliability of wind energy technologies can be expedited by the testing of prototypes under carefully controlled conditions;

(9) that innovation and creativity in the development of components and systems for converting wind energy into electricity and mechanical energy can be fostered through encouraging direct contact between the manufacturers of such systems and utilities and other persons interested in utilizing such systems; and

(10) that, consistent with the findings of the Domestic Policy Review on Solar Energy, wind energy can potentially contribute 1.7 quads of energy per day by the year 2000.

(b) It is declared to be the policy of the United States and the purpose of this Act to establish during the next eight years an aggressive research, development, and demonstration program for converting wind energy into electricity. It is declared to be the further policy of the United States and the purpose of this Act that the objectives of such program are—

(1) to reduce the average cost of electricity produced by installed wind energy systems, by the end of fiscal year 1988, to a level competitive with conventional energy sources; and

(2) to reach a total megawatt capacity in the United States from wind energy systems, by the end of fiscal year 1988, of at least eight hundred megawatts, of which at least one hundred megawatts are provided by small wind energy systems.

Nothing in this Act shall be construed as preventing the Secretary from undertaking projects or activities in addition to those specified in this Act if such projects or activities appropriately further the purposes set forth in this subsection.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "wind energy system" means a system of components which converts the kinetic energy of the wind into electricity or mechanical power, and which includes all components necessary (including energy storage, power conditioning, and control systems where appropriate) to provide electricity or mechanical power for individual, residential, agricultural, commercial, industrial, utility, and governmental use;

(2) the term "small wind energy system" means a wind energy system having a capacity of less than one hundred kilowatts;

(3) the term "large wind energy system" means a wind energy system having a capacity of one hundred kilowatts or more;

(4) the term "facility" means any building, residential, commercial, agricultural, or industrial complex, utility network, or device which employs wind energy systems, and the land necessary for such building, complex, network, or device;

(5) the term "public and private entity" includes any individual, corporation, partnership, firm, association, agricultural cooperative, public- or investor-owned utility, public or private institution or group, State or local government agency, or other entity;

(6) the term "known wind resource" means a site with an average annual wind velocity of at least twelve miles per hour; and

(7) the term "Secretary" means the Secretary of Energy.

ESTABLISHMENT OF RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM FOR SMALL WIND ENERGY SYSTEMS

SEC. 4. (a) The Secretary shall establish a six-year small wind energy system research, development, and demonstration program to carry out the purposes of this Act. As part of such program, the Secretary shall—

(1) promote the coordination and acceleration of reseach, development, and applications testing of small wind energy systems and components thereof; and

(2) promote the initiation and coordination of demonstrations of small wind energy systems and components which could be used in applications dependent on the wind for their energy.

(b) In carrying out the provisions of subsection (a)(1), the Secretary is authorized to enter into agreements with public and private entities, based on the need to obtain scientific, technological, and economic information from a variety of small wind energy systems under a variety of circumstances and conditions, for the design, fabrication, purchase, installation, and testing of prototype small wind energy systems.

(c)(1) In carrying out the provisions of subsection (a)(2), the Secretary is authorized to establish procedures to allow any public or private entity wishing to install a small wind energy system to apply for and (upon meeting such terms and conditions as the Secretary may prescribe) to receive assistance in purchasing such wind energy system. Assistance under the preceding sentence with respect to a small wind energy system shall be provided in the form of payment (by the Secretary) of a portion of the purchase cost of such system, in an amount (subject to paragraph (5)) not exceeding (A) 50 per centum of the capital cost of the system in the case of a small wind energy system purchased during any of the first four years of the program under this section, (B) 35 per centum of such cost in the case of a system purchased during the fifth year of the program, and (C) 25 per centum of such cost in the case of a system purchased during the sixth year of the program.

(2) Title to and ownership of the demonstration systems purchased with assistance under paragraph (1) may be conveyed to the purchasers of such systems upon terms and conditions prescribed by the Secretary.

(3) The terms and conditions prescribed by the Secretary under paragraph (1) for the provision of assistance in purchasing a small wind energy system, or under paragraph (2) for the conveyance of such a system to the purchaser, shall require an express agreement that the entity receiving the assistance or conveyance will (in such manner and form and on such terms and conditions as the Secretary may prescribe)

observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of the system for a period of five years and that such entity (including any subsequent owner of the system or the facility containing the system) will regularly furnish the Secretary with such reports thereon as the agreement may require and will at reasonable times permit members of the public to view and inspect the system.

(4) Notwithstanding the specific provisions of paragraph (1), Federal subsidization of purchases of small wind energy systems by public or private entities under this subsection shall terminate when the Secretary determines, in the annual update of the comprehensive program management plan pursuant to section 7, that small wind energy systems have become competitive with conventional energy sources, or on September 30, 1986, whichever occurs first.

(5) The amount of the assistance to which any entity is otherwise entitled under paragraph (1) with respect to the purchase of a wind energy system shall be reduced by the amount of any credit which such entity claims and is allowed under subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (for the taxable year or other period involved) for renewable energy source expenditures made in purchasing such system; and the terms and conditions prescribed by the Secretary under paragraph (1) for the provision of such assistance shall require the entity's express agreement to the establishment and implementation of specific procedures for the recovery from such entity (or from a subsequent owner of the system), in the event that such a credit is claimed and allowed, of the appropriate portion of any assistance theretofore so provided.

(d) In carrying out his duties under subsection (a)(2), the Secretary (1) shall set aside approximately 10 per centum of the funds appropriated to carry out that subsection and use the funds so set aside for the accelerated procurement and installation of small wind energy systems by Federal agencies, and (2) shall enter into arrangements with appropriate Federal agencies to carry out such projects and activities (including demonstration projects) as may be appropriate for the demonstration of small wind energy systems which are suitable and effective for use by such Federal agencies.

(e) Within ninety days after the termination of the six-year program established under this section, the Secretary shall by rule promulgate voluntary performance standards for small wind energy systems. The standards so prescribed shall take into account (but need not be limited to) the reliability and safety of such systems and the cost of electrical or mechanical power. In developing such standards the Secretary shall consult with appropriate experts concerning performance needs for small wind energy systems; and such performance standards shall be revised periodically, by rule, as the state-of-the-art improves.

ESTABLISHMENT OF RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM FOR LARGE WIND ENERGY SYSTEMS

SEC. 5. (a) The Secretary shall establish an eight-year large wind energy system research, development, and demonstration program to carry out the purposes of this Act. As part of such program, the Secretary shall—

(1) promote the coordination and acceleration of research, development, and applications testing of large wind energy systems and components thereof; and

(2) promote the initiation and coordination of demonstrations of large wind energy systems and components which could be used in applications dependent on the wind for their energy.

(b) In carrying out the provisions of subsection (a)(1), the Secretary is authorized to enter into agreements with public and private entities, based on the need to obtain scientific, technological, and economic information from a variety of large wind energy systems operating in a variety of utility and other applications, for the design, fabrication, purchase, installation, and testing of prototype large wind energy systems.

(c)(1) In carrying out the provisions of subsection (a)(2), the Secretary is authorized to establish procedures to allow any public or private entity (including a public or investor-owned utility) wishing to install a large wind energy system to apply for and (upon meeting such terms and conditions as the Secretary may prescribe) to receive assistance, on or after October 1, 1982, in purchasing such wind energy system. Assistance under the preceding sentence with respect to a large wind energy system shall be provided in the form of payment (by the Secretary) of a portion of the purchase cost of such system, in an amount (subject to paragraph (5)) not exceeding (A) 50 per centum of the capital cost of the system in the case of a large wind energy system purchased during the first six years of the program under this section, and (B) 25 per centum of such cost in the case of a system purchased during the seventh or eighth year of the program.

(2) Title to and ownership of the demonstration systems purchased with assistance under paragraph (1) may be conveyed to the purchasers of such systems upon terms and conditions prescribed by the Secretary.

(3) The terms and conditions prescribed by the Secretary under paragraph (1) for the provision of assistance in purchasing a large wind energy system, or under paragraph (2) for the conveyance of such a system to the purchaser, shall require an express agreement that the entity receiving the assistance or conveyance will (in such manner and form and on such terms and conditions as the Secretary may prescribe) observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of the system, and permit public access to the system, for a period of five years, and that such entity (including any subsequent owner of the system or the facility containing the system) will regularly furnish the Secretary with such reports thereon as the agreement may require.

(4) Notwithstanding the specific provisions of paragraph (1), Federal subsidization of purchases of large wind energy systems by public or private entities under this subsection shall terminate when the Secretary determines, in the annual update of the comprehensive program management plan pursuant to section 7, that large wind energy systems have become competitive with conventional energy sources, or on September 30, 1988, whichever occurs first.

(d) In carrying out his duties under subsection (a)(2), the Secretary (1) shall set aside approximately 10 per centum of the funds appropriated to carry out that subsection and use the funds so set aside for the accelerated procurement and installation of large wind energy systems by Federal agencies, and (2) shall inter into arrangements with appropriate Federal agencies (including the Bureau of Reclamation and the Federal power marketing agencies) to carry out such projects and activities (including demonstration projects) as may be appropriate for the demonstration of large wind energy systems which are suitable and effective for use by such Federal agencies.

WIND RESOURCE ASSESSMENT

SEC. 6. The Secretary is authorized and directed to initiate a three-year national wind resource assessment program. As part of such program, the Secretary shall—

(1) conduct activities to validate existing assessments of known wind resources;

(2) perform wind resource assessments in regions of the United States where the use of wind energy may prove feasible;

(3) initiate a general site prospecting program;

(4) establish standard wind data collection and siting techniques; and

(5) establish, in consultation with the Administrator of the National Oceanic and Atmospheric Administration, the Administrator of the National Aeronautics and Space Administration, and the Administrator of the Environmental Protection Agency, a national wind data center which shall make public information available on the known wind energy resources of various regions throughout the United States.

COMPREHENSIVE PROGRAM MANAGEMENT PLAN

SEC. 7. (a) The Secretary is authorized and directed to prepare a comprehensive program management plan for the conduct under this Act of research, development, and demonstration activities consistent with the provisions of sections 4, 5, and 6. In the preparation of such plan, the Secretary shall consult with the Administrator of the National Aeronautics and Space Administration, the Secretary of the Interior, and the heads of such other Federal agencies and such public and private organizations as he deems appropriate.

(b) The Secretary shall transmit the comprehensive program management plan to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate within nine months after the date of the enactment of this Act.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive plan is initially transmitted under subsection (b), the Secretary shall transmit to the Congress a detailed description of the comprehensive plan as then in effect, setting forth the modifications which may be necessary to appropriately revise such plan and any changes in circumstances which may have occurred since the plan or the last previous modification thereof was transmitted in accordance with this section. The detailed description of the comprehensive plan under this subsection shall include (but need not be limited to) a statement setting forth (with respect to each of the programs under this Act) any changes in—

(1) the anticipated research, development, and demonstration objectives to be achieved by the program;

(2) the program elements, management structure, and activities, including any regional aspects and field responsibilities thereof;

(3) the program strategies and commercialization plans, including detailed milestone goals to be achieved during the next fiscal year for all major activities and projects;

(4) the economic, environmental, and societal significance which the program may have;

(5) the total estimated cost of individual program items; and

(6) the estimated relative financial contributions of the Federal Government and non-Federal participants in the program.

Such description shall also include a detailed justification of any such changes, a detailed description of the progress made toward achieving the goals of this Act, a statement on the status of interagency cooperation in meeting such goals, and any legislative or other recommendations which the Secretary may have to help attain such goals.

CRITERIA FOR PROGRAM SELECTION

SEC. 8. The Secretary shall set priorities which are, as far as possible, consistent with the intent and purpose of this Act and

which are in accordance with the following criteria:

(1) The operations and maintenance costs of wind energy systems shall be minimized.

(2) Programs conducted under this Act shall be established with the express intent of bringing wind energy system costs down to a level competitive with energy costs from conventional energy systems.

(3) Preference shall be given in the conduct of activities under this Act to those projects in which funds are provided by private, industrial, agricultural, commercial, or governmental entities or utilities for the purpose of sharing with the Federal Government the costs of purchasing and installing wind energy systems.

MONITORING, INFORMATION GATHERING, AND LIAISON

SEC. 9. (a) The Secretary, in coordination with such Government agencies as may be appropriate, shall—

(1) monitor the performance and operation of wind energy systems assisted or installed under this Act;

(2) collect, evaluate, and disseminate data and information on the performance and operation of wind energy systems assisted or installed under this Act; and

(3) from time to time carry out such studies and investigations and take such other actions (including the submission of special reports to the Congress when requested) as may be necessary to assure that the programs for which the Secretary is responsible under this Act effectively carry out the purposes of this Act.

(b) The Secretary shall also maintain continuing liaison with related industries and interests and with the scientific and technical community in order to assure that the projected benefits of programs under this Act are and will continue to be realized.

UTILIZATION OF CAPABILITIES AND FACILITIES

SEC. 10. The Secretary shall utilize the technological and management capabilities, equipment, and facilities of the National Aeronautics and Space Administration to the maximum extent practicable in carrying out his duties under this Act, and shall enter into such additional agreements with the Administrator of such Administration as may be necessary for this purpose.

STUDIES AND DISSEMINATION OF INFORMATION

SEC. 11 (a) The Secretary shall assure that full and complete information with respect to any project or other activity conducted under this Act is made available to Federal, State, and local authorities, relevant segments of private industry, the scientific community, and the public so that the early, widespread, and practical use of wind energy throughout the United States is promoted to the maximum extent feasible.

(b) The Secretary shall—

(1) study the effects, at varying levels of market penetration, of the widespread utilization of wind energy systems on the existing electrical utility system;

(2) determine the necessity for, and make recommendations to the Congress within eighteen months after the enactment of this Act on, a program of incentives to users, in each of the potential markets for wind energy systems, to accelerate the commercial application of wind energy technologies;

(3) investigate the need for financial assistance to the wind energy systems manufacturing industry, and make recommendations to the Congress thereon no later than twelve months after the enactment of this Act;

(4) evaluate the actual performance of wind energy systems in various applications, including but not limited to residential, agricultural, large and small scale irrigation pumping, industrial, commercial, remote nonnetwork utility, and other applications, and report thereon to the Congress within two years after the enactment of this Act; and

(5) study the export potential of wind energy systems and report thereon to the Congress within two years after the enactment of this Act.

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS

SEC. 12. (a) In carrying out his functions under this Act, the Secretary shall take steps to assure that small business concerns will have realistic and adequate opportunities to participate in the programs under this Act to the maximum extent practicable.

(b) The Secretary shall, to the maximum extent practicable, use all authority provided by law to protect trade secrets and other proprietary information submitted by small business under this Act and to avoid the unnecessary disclosure of such information.

(c) The Secretary shall take such steps as may be necessary to assure compliance with the antitrust laws in the conduct of activities directly or indirectly assisted under this Act, and shall implement this Act in a manner which will protect against the creation of noncompetitive market situations in the conduct of such activities.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. There is authorized to be appropriated to the Secretary to carry out this Act (1) for the fiscal year ending September 30, 1981, the sum of $100,000,000 (of which $10,000,000 shall be available exclusively for purposes of section 6), and (2) for each fiscal year beginning after that date, such sum as may be authorized by legislation hereafter enacted.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida (Mr. FUQUA) will be recognized for 20 minutes, and the gentleman from Colorado (Mr. KRAMER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. FUQUA).

GENERAL LEAVE

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from New York (Mr. OTTINGER) the ranking minority member, Mr. FISH, and the subcommittee for the fine work they did in bringing this bill before us. Further, I would like to commend the original authors of this legislation, my distinguished colleagues, NORM MINETA, of California, JIM BLANCHARD, of Michigan, and JIM JEFFORDS, of Vermont for bringing this much needed legislation to the attention of the Committee on Science and Technology and for the cooperation they extended our committee during its consideration of this bill.

Mr. Speaker, I rise in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. This bill provides for a focused, goal oriented research, development, and demonstration program over the next 8 years relating to wind energy systems. These systems offer great promise for providing significant portions of our future energy needs from an inexhaustible source; the winds. By the end of fiscal year 1988 the programs H.R. 5892 establishes will bring the cost of wind energy systems down to a point where they are competitive with conventional sources of electric generation.

The Committee on Science and Technology has carefully drafted this legislation to contain the necessary elements for successful implementation of this program. This committee has received a great deal of testimony from the DOE, NASA, the Bureau of Reclamation, the program laboratories, the wind system manufacturing industry, utilities, and State governments on the need of a strong Federal commitment to the development of wind energy systems market. After much effort and deliberation, we have structured a piece of legislation that will specify an accelerated program for wind energy systems, leading to their widespread use in supplementing and replacing conventional methods of generating electricity, especially those methods based on imported oil. I believe that this legislation is responsive to these needs.

Mr. Speaker, I consider H.R. 5892 to be a responsible piece of legislation which deserves our support. We must continue to develop solar energy applications that show great promise for the future as well as serve our needs today. With this legislation, we will be able to develop wind energy systems in a rational and comprehensive manner. This will insure that the taxpayers' dollars are used in as efficient and effective manner as possible. I urge passage of this bill.

□ 1340

Mr. Speaker, I now yield such time as he may consume to the distinguished chairman of the subcommittee, the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I want to thank the chairman of the subcommittee, the gentleman from Florida (Mr. FUQUA) for his cooperation on this bill, and also the ranking minority member, the gentleman from New York (Mr. FISH), who had participated very actively in our extensive deliberations on it, and made a very real contribution to it.

Mr. Speaker, H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979 was reported unanimously from the Subcommittee on Energy Development and Applications and then from the full Committee on Science and Technology. It has over 100 sponsors in the House. The bill authorizes $100 million for fiscal year 1981 for accelerated research, development, applications testing, resources assessment, and demonstrated programs on wind energy utilization.

The bill we are considering provides the Congress an opportunity to take positive action in the development of a renewable alternative energy source which can begin contributing to this Nation's growing domestic energy requirements in the near term. It provides a commitment to an 8-year program, for large wind resources and 6 years for small wind resources that will bring wind energy

systems and the wind systems industry, to maturity at the earliest possible date.

The high potential of wind energy has now become widely recognized. The President's Domestic Policy Review on Solar Energy identified wind energy as having the largest potential of any of the solar electric technologies to provide significant amounts of electricity by the end of the century. The DPR estimated that wind energy can contribute 1.7 quads of power by the year 2000. The recently released Mitre Corp. "Analysis of National Energy Plans" estimated an even higher potential when it identified wind as potentially contributing 2.5 quads in the year 2000. If these contributions can be reached then it would mean that in 2000, wind energy would be producing more electricity than the Nation received from all sources in 1950.

H.R. 5892 is a rewritten and reintroduced version of H.R. 3558, which was authored by Congressmen NORM MINETA, of California, JIM JEFFORDS, of Vermont, and our colleague and ranking minority member of this subcommittee, JIM BLANCHARD, of Michigan. I would like to join the chairman in commending them for their initiative in formulating this legislation and for the cooperation they have extended to my subcommittee during hearings and during the drafting of H.R. 5892.

My subcommittee held exhaustive hearings on the DOE wind program and on the legislation. These hearings began in July with a day-long oversight hearing on DOE's program. This was followed by 4 days of hearings on H.R. 3558 during September and October. During these hearings the subcommittee received testimony from DOE, NASA, the Bureau of Reclamation, the laboratories involved in the program, the wind system manufacturers, the utilities, and from the Energy Commissions of various States.

With the information and recommendations that were received, we felt that the original legislation should be redrafted, and we sent the administration back to the drawing boards to give us much more detailed justification for the legislation that was being presented. After these efforts, I think we have a very good product, a well-thought-out product, one that will produce the kind of energy contribution that I described as its studied potential.

In this effort we received the assistance of the administration and the program laboratories to come up with a carefully thought-out legislative initative which will accomplish the objectives to develop cost-effective wind systems in the different wind machine sizes and to provide Government-assisted market penetration of these cost-effective machines through cost-shared demonstrations. I would briefly like to outline the five key provisions to the substitute.

1. THE SMALL WIND PROGRAM

The small wind program as contained in H.R. 5892 is a 6-year, research, development and demonstration effort with the goals of producing small wind systems that are competitive with conventional sources of energy and of installing 100 megawatts of small machines by the end of fiscal year 1988. There are two key elements of this small wind effort. First, research, development and applications testing of limited numbers of prototype small machines; and second, cost-shared demonstrations of small machines.

Additional R. & D. and applications testing is needed to improve the reliability, to reduce the cost of small machines, and to identify and understand where the true applications for small machines are, and how they actually function in the different applications. The testimony from the hearings and the information DOE provided the subcommittee indicates that the cost reductions resulting from this work, as well as the better understanding of which markets and application are best suited to small machines would greatly assist the demonstration effort of commercialization of small machines.

The demonstrations of small machines would be done on a cost-shared basis with the DOE providing a maximum of 50 percent of the capital cost of a system purchased during the first 4 years of the program. The DOE share would be reduced to a maximum of 35 percent in year 5, and to a maximum of 25 percent in year 6. Ten percent of the funding for small machine demonstrations would be made available to other Federal agencies for their purchase of small wind systems.

At the completion of the 6-year small machine program voluntary performance standards will be instituted to protect the consumers.

The Secretary is provided an opportunity to terminate the program prior to September 30, 1986, if he determines that small wind systems have been made competitive with conventional energy sources at some earlier date. This takes into account the administration's concern for flexibility if the job can be done sooner.

2. THE LARGE WIND PROGRAM

The large wind program is an 8-year research, development and demonstration effort with the goals of producing large wind systems that are competitive with conventional sources of electric generation and of installing 700 megawatts of large machines by the end of fiscal year 1988.

There are two key elements in the large machine program: First, research, development and applications testing of additional prototypes; and second, cost shared demonstrations of the large machines.

Research, development and applications testing would be emphasized in the initial years of the program and the demonstrations would not begin until fiscal year 1983. This will allow for the development of the next generation of large machines (the MOD–5, MOD–6, and the Bureau of Reclamation's System Verification Unit). The administration very strongly recommended this early commitment to R. & D. while delaying the demonstrations a few years. This is a valid recommendation since the MOD–5 machine is estimated to be 30 to 50 percent cheaper than the MOD–2 in production. The MOD–2 is presently the most advanced megawatt scale machine in DOE's program.

The demonstration would begin in fiscal year 1983 with cost sharing on the basis of a maximum of 50 percent DOE share. In years 7 and 8, this would be reduced to a maximum of 25 percent. This reduction in the final 2 years is warranted since full commercial scale production facilities for the MOD–5 and 6 would come on line in fiscal year 1987.

A 10-percent funding set aside for other Federal agencies is called for, as well as flexibility for early termination of the program if the Secretary determines that the program is successful prior to the end of fiscal year 1988.

3. WIND RESOURCE ASSESSMENT

Several of our witnesses as well as DOE emphasized that gaining a better understanding of the wind resource and its site specific nature should be a key element of any wind program effort. The National Wind Resource Map that Battelle Pacific Northwest Laboratory is developing for DOE is not sufficient to deal with the potential wind systems purchaser's uncertainty that the map is valid for his specific site. Therefore, the substitute contains a 3-year national wind resource assessment program which will do three things: First, validate the existing wind resource information; second, provide instrumented towers on loan to individuals for 1 year to test their specific wind site; and third, establish a wind data center (in NOAA) to collect the wind resource data and put it into a form that is useful to the public and disseminate that information. A first year authorization of $10 million is called for to begin this effort in the authorization section.

4. COMPREHENSIVE PROGRAM MANAGEMENT PLAN

The revision contains the requirement that DOE prepare and present to Congress within 9 months, a detailed program management plan covering all aspects of the program, and what it is going to take to implement the program. It will address cost reduction goals, program cost by program element, program management structure, and staffing requirements in headquarters and in the field.

The Secretary is further required as part of the annual budget submission to Congress, to update the plan and provide detailed justification for any changes which take place in the previous year's plan. This will allow DOE some flexibility, but holds them accountable for utilizing that flexibility.

5. THE STUDIES AND DISSEMINATION OF INFORMATION

The last major section of the bill is the study section. In this section DOE is to address what additional market incentives may be required as well as financial assistance to the industry. DOE is also to investigate the effect of different levels of wind system market penetration on the utilities and to study the export potential for wind systems.

The Wind Energy Systems Research, Development and Demonstration Act has received support from the administration, industry, the utilities, and from various citizen's groups. It was reported from the committee unanimously.

Mr. Speaker, I request support for this legislation.

Mr. KRAMER. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979, and I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. This bill provides for an aggressive program over the next 8 years to develop wind energy systems. H.R. 5892 molds our efforts to make wind energy systems competitive with conventional energy systems. It calls for a coordinated Federal program to meet this goal to be carried out by the Department of Energy with the support of NASA and other Federal agencies.

We have only recently awakened to our pressing energy needs. Recent energy shortages and the dramatic increases in the price of crude oil have made us painfully aware of our energy problems. Our Nation's inability to face our energy situation head on and to take drastic action may soon come to haunt us. We must press forward now with a vigorous research and development program if we are to reduce our reliance on uncertain foreign oil supplies.

H.R. 5892 takes one important step in this direction. It will allow us to begin a serious effort to harness the great potential of wind energy. This legislation establishes a well-balanced program that will permit us to develop both large and small wind energy systems in a reliable and cost-effective manner. The bill permits other Federal agencies, such as the Department of the Interior and NASA, to play an active role in the development of these wind systems. It will allow us to carefully consider the extent of our wind energy resources, and to develop wind systems that can best take advantage of this resource. Under this legislation, it is estimated that wind energy will be able to replace close to 5,850,000 barrels of imported oil per year by the end of fiscal year 1988.

I would like to commend the authors of this bill, the gentleman from California (Mr. MINETA), the gentleman from Michigan (Mr. BLANCHARD), and the gentleman from Vermont (Mr. JEFFORDS) for their extremely fine work.

Through their efforts, I believe that we have structured a comprehensive and well-thought-out piece of legislation that will allow us to effectively harness the potential of wind. I would also like to commend our distinguished subcommittee chairman—the gentleman from New York—for his fine leadership in bringing this legislation to the floor. He has spent long hours in structuring a national wind program that will insure the success of our efforts. This legislation has also been developed to insure that we spend our taxpayers' moneys in the wisest and most prudent manner possible.

Wind energy offers us renewable energy resource that can be developed in a manner consistent with our environmental goals. The committee received testimony that utilities and communities are ready and willing to make commercial wind energy a reality now. Wind energy systems can be used for a wide range of applications, such as for residential, industrial, and agricultural use and for central power generation. These systems can also be of great potential for use in other nations where the energy demands of remote villages cannot presently be met.

Our Nation must now recognize that we must look to other sources if we are to satisfy our energy needs in the future. A strong commitment to develop renewable resources such as the Sun must be reaffirmed to assure that progress continues in developing competitive solar applications. H.R. 5892 embodies this commitment. It establishes a comprehensive program that will help us meet the President's goal of deriving 20 percent of our energy needs by the year 2000 from the Sun. It provides a clear signal that wind energy is a major component of our national energy strategy, and that the Federal Government will develop a coherent program to support it.

Mr. Speaker, our Nation anxiously awaits to see if we can meet the challenge offered in harnessing the energy of the Sun. H.R. 5892 represents part of our answer to this challenge. It is an important step in helping us on our way to utilizing the great potential offered by the Sun. I urge my colleagues to support this legislation.

Mr. Speaker, I also want to state that my colleague from New York (Mr. FISH), who cannot be with us today, also supports these views and joins in this statement.

Mr. Speaker, I yield 2 minutes to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Speaker, I join with my coauthors Mr. MINETA, BLANCHARD, and subcommittee chairman OTTINGER in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. This refined version of the original bill I cointroduced with Mr. MINETA and Mr. BLANCHARD earlier this year, will provide the impetus for development of this most promising renewable source for electric power.

I am proud to have played a role in the formation of the measure before the House today.

Also I want to extend my sincere thanks to a fellow Vermonter, Mr. Peter McTague, president of the Green Mountain Power Corp. He argued strongly at the subcommittee hearing on this measure in September, for joint development of energy storage systems with proper funding, flexibility and incentive to put small wind energy systems in place quickly and economically for both consumers and electric utilities. I am pleased to see that the refined bill before the House today gives much attention to the advancement of small wind energy applications. I am pleased that the goal level of having small machines achieve 100 megawatts of power over a 6-year period has been accepted and incorporated into the final version of this bill.

Green Mountain Power of Vermont has set a standard for many other utilities to follow in the area of wind energy. The corporation has already been promoting the use of heat storage systems as energy-conservation and load-leveling measures to people in the State. As Mr. McTague pointed out when testifying on the bill, the development of any number of storage systems—battery storage, heat storage and cool storage—jointly with small wind systems, is a goal industry and utilities alike should pursue. It is his hope along with mine, that the bill before us today will help stimulate such development.

It is my absolute belief that wind energy should be an important component of this Nation's energy policy. Social, environmental, economic and political pressures are leading policymakers to reexamine domestic energy supply strategies. As a result, renewable energies, representing secure sources of supply, are attracting more and more attention. Wind energy, Mr. Speaker, as a solar-derived, renewable, and nonpolluting energy form, represents a source of energy with infinite supply security.

Wind energy, cost-effective in some applications today, with projected cost reductions for the future, will become competitive with other forms of energy in the generation of electricity. At the point when wind energy is economically viable, the nation will be able to look to this energy form for a potential supply of up to 13 quads of energy, which represents 7 percent of projected U.S. energy demand in the year 2000.

The full committee bill before us today sets forth an aggressive research, development, and demonstration program with a goal of 800 megawatts of electric power capacity by the end of fiscal year 1988. This is about the equivalent of 6 million barrels of oil a year. The bill also provides for an 8-year program of promoting large wind systems—those over 100 kilowatts in size—with a goal of reaching 700 megawatts of power, and a 6-year program of promoting small wind machines with a goal of 100 megawatts. Both of these programs would consist of R. & D. and testing of prototype machines during the early years and cost-shared demonstrations in the later years, with the Federal share diminishing as wind energy becomes more fully cost-competitive.

Also contained within the measure is provision for a national wind resource assessment program which would collect wind data nationwide and make it available to prospective buyers of wind machines. Additionally, H.R. 5892 requires the Department of Energy to prepare and present to Congress, within 9 months, a detailed program management plan which will outline staffing and funding requirements to meet the program goals. Finally, another major provision of this legislation is for a detailed study of market incentives to determine how wind energy can most effectively be commercialized.

My home State of Vermont has been and continues to be a leader in the field

of wind energy, and for that reason, I would like to draw upon the experiences in Vermont to dramatize the need for further development of this alternative energy source.

Before relating to my colleagues the very encouraging progress it is making in its serious approach to the development of wind energy, I think it is appropriate to note, Mr. Speaker, that the President has called for a national commitment of advancing this alternative energy source. In his June 20 message to the Congress, the President outlined a national strategy for accelerating the use of solar and other renewable resources setting a national goal of deriving 20 percent of the Nation's energy needs from the Sun by the year 2000. To this end, the President has called for a program which seeks to develop, through R. & D. support to industry, a series of wind systems of improved capability with total costs that, assuming the machines were produced and deployed on a large scale, will be competitive with other energy sources. It is encouraging to me to see that the administration is putting its weight behind the advancement of this energy source, though I feel the financial commitment in the bill before the committee is a much more realistic approach if we are serious in getting this energy form on-line soon.

The significance of wind energy in this age of dwindling traditional energy sources has been documented in two recent studies by the General Electric and Lockheed Cos. Both studies have predicted that—

First, with 300,000 large wind energy conversion systems—WECS—produced by the year 2000, wind could produce over 13 percent of the electricity demand in that year. General Electric estimates market saturation for small-scale WECS at 9.3 million units in the residential sector alone.

Second, if rapid implementation—160,400 15-kilowatt units installed by the year 2000—of wind energy were achieved, 852 million equivalent barrels of oil could be saved annually by A.D. 2000. This translates, for the purpose of the legislation before the committee, to 300,000 barrels of oil saved per day in 1985.

Third, if oil, coal, and gas prices do not escalate above inflation trends—again, it is very possible that they will—as much as 4.8 percent of the 1995 national electrical demand could be furnished by wind turbines at a price less than the equivalent fossil fuel cost.

Fourth, in the electrical utility sector, WECS have the potential of cumulative savings of 288 million barrels of oil if their implementation was "slow." If implementation was "rapid," it would result in a savings of 4,000 million barrels of oil equivalent in nuclear, coal, and natural gas fuels and 260 million barrels of oil in the electric utility sector.

Mr. Speaker, it is obvious from the findings of these studies that wind energy, if successfully commercialized, can make a significant impact on the national energy picture.

With this information as a backdrop to the national impact wind energy could have if pursued aggressively, I wish to relate to the committee, Mr. Speaker, the story of Vermont's experience with this energy form, which serves as an excellent example of the adaptability of this energy source to current consumption patterns. The present-day interest in wind as a source of usable energy, Mr. Speaker, is particularly gratifying for Vermonters. Vermont is a recognized pioneer in harnessing the wind to produce electrical energy. As early as the 1940's, the practicality of using wind in the generation of electricity was demonstrated in the Smith Putnam project at Grandpa's Knob, Vt. A 1,250-kilowatt wind turbine was used to supply the Central Vermont Public Service Corp. utility network. A blade failure on the turbine and the inability to compete with the then low cost of coal- and oil-generated electricity necessitated the abandonment of that pioneering effort. Today, with the advance of technology and the ever-escalating cost of conventionally produced electricity, the wind is once again being looked to as an economical and environmentally benign source of power. Recognizing this, many people in Vermont, both in public and private sectors, have been working toward the practical application of this free and inexhaustible resource.

In November of 1978, the Vermont State Energy Office sponsored a workshop to which every utility serving the State were invited. At that workshop, utility representatives as well as representatives from every State agency which would be affected by the development of wind energy, heard members of the Department of Energy and NASA Lewis Research Center describe the Federal wind program as it applied to large wind electrical systems. A representative of Southern California Edison described his company's program which is the placing of a number of wind turbines on line to supplement their high fossil fuel cost. A representative from Block Island Power talked about his company's involvement in the Federal wind program which placed a 200-kilowatt machine on the island. Workshop attendees also heard Dr. Gerald Koeppl, president of New England Conversion Services describe the potential of wind as a usable energy source in Vermont.

I had the pleasure of participating in this workshop myself, and found, Mr. Speaker that the level of interest in pursuing an aggressive approach to development of wind energy was high. This demonstrated to me that this form of alternative electrical energy generation is a logical outgrowth of shifting perceptions in the use of traditionally expensive and diminishing energy forms.

As a result of the interest generated at that workshop, Ronald Allbee, Director of the Vermont State Energy Office, called together an ad hoc committee on wind, which began meeting in January of 1979. This committee, chaired by State Representative Anne Just (Warren, Vt.), and made up of representatives from the State Agency of Environmental Conservation, the Public Service Board (the State regulatory agency for utilities), and the State Energy Office. Joining members on the committee were the president and the director of the New England Wind Energy Conversion Services, a representative of the Green Mountain Power Corporation (one of the State's largest private utilities), and a consulting meteorologist.

Charged with examining the potential of wind power as a usable energy source in Vermont, the committee is presently studying environmental, economic and social implications of wind energy as well as the aesthetic impacts caused by the placement of megawatt-sized machines in the Green Mountains. There are at present, instruments measuring wind velocity, direction, and frequency on three mountaintops in the State. In December of this year, a report by the committee detailing the results of data collected at these sites will be submitted to the director of the State Energy Office. This report will reflect not only committee conclusions on data collected at these sites, but also recommendations as to how to proceed in the development of this promising resource.

The efforts of the Vermont State Energy Office's ad hoc committee serve as an excellent example of an arrangement which should meet with success similar to the kind of effort our bill is calling for.

It should be noted, Mr. Speaker, that the Vermont State Energy Office has also chosen to take the responsibility of implementing the Federal field evaluation program in my State. The program is designed to evaluate small wind energy conversion systems as they supply about 50 percent of the electrical energy needs of a residence or institutional building. Also to be evaluated in this program will be how small wind energy conversion systems interface with the utility grid. Institutional, technical and safety problems which may arise through implementation of this program will also be examined. Thus far Mr. Speaker, over 70 people in Vermont have contacted the State Energy Office to express interest in participating in this program. The State Energy Office has decided to take on this responsibility, Mr. Speaker, in the hope that it can develop in-house expertise regarding the institutional and legal factors associated with the placement of a large number of small wind generating systems in the State. In addition, Mr. Speaker, the State Energy Office is working closely with the Northeast Solar Energy Center in developing wind demonstration and commercialization programs.

On another front, Mr. Speaker, Vermont's Johnson State College held an all-day conference on small wind energy conversion systems in the spring of this year. Senator PATRICK LEAHY as well as representatives from Senator ROBERT STAFFORD'S office and my office, attended this gathering. The conference was well attended by individuals from public and private sector interests, who heard a detailed presentation on the economic and environmental implications of wind energy systems.

Of considerable significance, Mr. Speaker, is the fact that Vermont is the home of two of the leading manufac-

turers in the small wind system industry. These companies provide between 70 and 80 percent of the small wind systems produced and sold in the United States. It should be remembered that the bill before the committee calls for small wind energy systems to meet at least 5 megawatts of the total energy capacity called for in the bill, by fiscal year 1986. In Vermont alone, Mr. Speaker, it has been estimated by Dr. Jerry Koeppl of the New England Wind Energy Conversion Services, that 100 wind machines of 2 megawatt capacity could provide about 14 percent of the State's 1978 requirements for electrical energy.

The successes of these two Vermont firms stand as good examples of the kind of small business participation we are calling for in the bill before the committee.

Mr. Speaker, one of the basic provisions of the bill before the committee is to give Federal aid to private parties wishing to use wind energy systems for power. This basic aim is presently being sought in my home State with the availability of a tax credit of 25 percent or $1,000, whichever is less, for the installation of a renewable energy system in a private residence. In its first year of implementation, the tax credit program delivered such credits to 11 Vermonters installing wind energy systems. In another area Mr. Speaker, Central Vermont Public Sevice Corp., the State's largest private utility, has established a residential power rate that a customer with a windmill or "backyard" hydro unit could utilize. At the same time, this utility is measuring, for informational purposes, the output of wind systems for integration with their utility grid.

Of current interest, it should be noted that the Green Mountain Power Corp., the State's second largest private utility, is one of three utilities in the Nation chosen to participate in a national wind power research project. The project, using computer models, is a major study of electric utility use of wind power. Sponsored by the Electric Power Research Institute of Palo Alto, Calif., and conducted by the General Electric Co., the study is designed to compare various applications of wind power generation of electricity within a utility's system. The total project is being conducted over a 22-month period and will require nearly 5 person-years of effort by the various applicants.

Other efforts on the utility front include proposals for four additional large wind machines which are being submitted by the Vermont Electric Cooperative Inc. of Johnson, Vt., and the Morrisville Water & Light Department of Morrisville, Vt.

It is apparent, Mr. Speaker, that Vermont has a long standing interest in wind and that the interest is growing and being translated into effective action for the implementation of this attractive alternative energy resource. It is my hope that similar levels of interest within public and private sector groups around the Nation will be shown in the near future. Certainly with positive action by the House on the measure before it today, impetus would be given to this expanding interest. Of more importance, passage of this legislation would give individuals the incentive to invest in this form of energy, and thus lessen our dependence on more expensive and rapidly vanishing traditional forms of energy.

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Mr. KRAMER. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. CLAUSEN).

Mr. CLAUSEN. Mr. Speaker, I rise today to support what I feel is a positive commitment in the direction of our national goal of energy independence: The Wind Energy Research, Development and Demonstration Act of 1979 is a proposal to establish an aggressive program to develop wind energy, a renewable resource.

This proposal allows for a "large wind" and "small wind" research and development program, with a sunset provision for reduced Federal funding as wind energy becomes more cost-competitive. I am particularly pleased with the provisions of section 12 directed toward encouragement and protection of small business.

I also strongly support the establishment of a study to assess how wind energy can be commercialized through market incentives, as this allows for the greatest public participation and input in this developing energy source.

But perhaps most importantly, the act sets a goal for wind energy production at 800 megawatts by the end of fiscal year 1988—an energy equivalent of 6 million barrels of oil per year.

Mr. Speaker, I believe the country enthusiastically supports development of wind energy. We can send a clear message to the Nation and begin with a strong program to explore this energy alternative by supporting this vital legislation. I urge my colleagues to support the Wind Energy Research, Development and Demonstration Act of 1979 as a major step forward in the development of this clean, domestic and inexhaustible renewable energy resource.

The legislation contains the following basic provisions:

First. It sets forth an aggressive research, development and demonstration program with a goal of 800 megawatts of electric power capacity by the end of fiscal year 1988. (Eight hundred megawatts is about the equivalent of 6 million barrels of oil a year.)

Second. It provides for an 8-year "large wind" program (large wind machines are those over 100 kilowatts in size) with a goal of 700 megawatts of power, and a 6-year "small wind" program with a goal of 100 megawatts. Both programs would consist of R. & D. and testing of prototype machines during the early years and cost-shared demonstrations in the later years, with the Federal share diminishing as wind energy becomes more fully cost-competitive.

Third. It provides for a national wind resource assessment program which would collect wind data nationwide and make it available to prospective buyers of wind machines.

Fourth. It requires DOE to prepare and present to Congress, within 9 months, a detailed program management plan which will outline staffing and funding requirements to meet the program goals.

Fifth. It provides for a detailed study of market incentives to determine how wind energy can most effectively be commercialized.

Mr. KRAMER. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. HOLLENBECK).

Mr. HOLLENBECK. Mr. Speaker, I would like to commend the sponsors on the majority side for their far-sighted approach and the gentleman from New York (Mr. FISH) on the minority side for his foresight.

Mr. Speaker, I rise in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. This bill provides for a R.D. & D. program that will allow us to tap the great potential offered by solar energy, and in particular, our wind resources. It has become increasingly necessary to develop our solar resources if we are ever to reduce our reliance on foreign oil supplies. Wind energy has been identified as one promising resource that may be able to contribute 1.7 quads of energy by the year 2000. I believe that we must take actions now to develop this resource to help us meet our future energy needs.

H.R. 5892 is one important measure in that direction. It is an attempt to establish a comprehensive wind program, with aggressive goals to help us replace conventional energy supplies. It requires the Department of Energy to work together with other Federal agencies in a coordinated manner to reach these goals. The bill provides the funding necessary to allow us to develop wind energy systems in an effective manner, and to insure that demonstration projects are wisely chosen and adequately funded. I believe that we have chosen an appropriate level of funding for this effort to insure that our taxpayer's moneys are wisely spent.

Wind energy systems offer the potential of supplying significant amounts of electricity and mechanical power before the year 2000. With significant reductions in cost, these systems can be used in residential, agricultural and industrial settings, and for large-scale utility applications. Of particular importance in this legislation is the goal of 100 megawatts for small wind systems, a worthy goal recognizing the important contribution which can be made by these small systems. This goal is consistent with the expectations that we can expect from small wind systems.

I would also hope that the Department of Energy would emphasize the development of advanced wind energy systems. An aggressive Federal program in this area could stimulate the development of far more effective wind systems which can make an important contribution in the future.

Mr. Speaker, I believe that we must vigorously pursue the development of all of our renewable energy resources. H.R. 5892 offers us the chance to develop reliable and durable wind systems that can

contribute to our energy supplies. I support this bill, and urge my colleagues to do the same.

Mr. KRAMER. Mr. Speaker, I have no further requests for time, and yield back the remainder of my time.

Mr. FUQUA. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. BLANCHARD) also a cosponsor of the bill and a member of the committee.

Mr. BLANCHARD. Mr. Speaker, I wish to thank my distinguished chairman of the Committee on Science and Technology and chairman of the Subcommittee on Space Science and Applications, the gentleman from Florida (Mr. FUQUA).

Mr. Speaker, I rise in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979.

As one of three authors of this bill, along with the gentleman from California (Mr. MINETA) and the gentleman from Vermont (Mr. JEFFORDS), I would like to extend a special expression of thanks to the chairman of the Subcommittee on Energy Development and Applications, Mr. OTTINGER, for his leadership in moving forward with it.

During the 4 days of hearings which the subcommittee held on wind energy legislation, I was very favorably impressed with the unanimity of opinion of the expert witnesses who appeared. Virtually everyone urged us strongly to proceed as rapidly as possible.

The following are some samples of the sort of testimony we received:

Henry Kelly, Assistant Director for Analysis of the Solar Energy Research Institute, noted that studies show wind energy can supply, by the year 2000, the equivalent of some 850,000 to 1 million barrels of oil a day—or 4 to 5 times the amount the United States was importing until very recently from Iran. He also described the bill's goals for windpower production as "modest"—they have since been increased by 60 percent.

James Lerner, senior technical adviser for the wind program of the California Energy Commission, told us that—

Wind energy is now the most economic solar electric technology, producing electricity at costs below that of oil-fired electric plants.

He went on to say that California hopes to meet 10 percent of its electric power needs by the year 2000 through the use of wind energy, and added:

Achieving this 10 percent target translates to supplying 30 billion kilowatt hours of electricity per year . . . and is equivalent to about 20 percent of current electricity production in California. These wind systems would represent an investment by utilities of about six billion dollars and would result in an annual saving of 54 million barrels of fuel oil, worth over $1 billion at current market prices. Reaching the 10 percent goal would result in the development of only a small fraction of the total California potential wind resource . . .

Dr. Edward Johanson of JBF Scientific Corp., a major consulting contractor for DOE, testified that—

Studies show that utilities like Niagara Mohawk, New England Gas and Electric, Southern California Edison, and Hawaiian Electric soon will be able to spend about $1,000 per kilowatt for (wind energy systems) and break even over 30 years.

NASA, he added, places production costs of Boeing's latest large wind turbine at only $800 per kilowatt—or $200 less than break even. As to why utilities are not yet buying wind machines in a big way, he had the following comments:

The public, and utility commissions, demand that the utilities maintain high reliability. This is one of the reasons the wind community is so pleased to see the subject bill. I can tell you unequivocally that utilities will not purchase significant amounts of wind systems, irrespective of economics, until their technical performance and reliability has been established.

Eric Leber, director of energy research for the American Public Power Association, a national service organization representing more than 1,400 publicly owned power systems across the country, told us that public utilities are extremely interested in wind energy. APPA's members are jointly supporting the installation of a 500-kilowatt Alcoa wind turbine in Eugene, Oreg. The Eugene project received a 96-percent vote of approval from APPA's committee on electrical research—the greatest degree of support ever registered in the 5 years of APPA's research program. Utility ownership of the wind turbine, Leber said, will save ratepayers $12,000 a year.

Ron Barchet, manager of wind programs for the General Electric Co., said the long-range, year-2000 goal for wind energy should be the equivalent of 850,000 barrels of oil a day and noted that reaching that goal would result in annual fuel savings of about $6 billion. Subsequently, that long-term goal was made a part of the "Findings and Purpose" section of the bill.

These are some of the statements we have heard and some of the reasons why the Energy Development and Applications Subcommittee and the full Science Committee both endorsed H.R. 5892 unanimously.

Mr. Speaker, over the last few years any number of studies and assessments have been done of the potential of windpower, and virtually all of them have concluded that it is promising indeed.

One of the most recent is the interagency Domestic Policy Review of Solar Energy, conducted last year.

The final report of the Research, Development and Demonstration Panel of that review group described wind energy's position today as follows:

Estimates (for wind energy supply) for the year 2000 range widely from near zero to the fossil fuel equivalent of 6 quads per year, with a median of 13 estimates being near 2 quads per year . . . All of these estimates recognize that the natural resource is very much larger than even the largest year 2000 estimate of generation, and that the actual impact will therefore be sensitive to economic relationships (especially the cost of energy from alternative sources) and to the effectiveness and timing of R.D. & D. and incentive measures.

Mr. Speaker, what we have here is a technology which, compared to putting a man on the Moon, or launching the first artificial satellite, is already virtually proven. What we do here today and in Congress during the next few weeks may well make a difference of hundreds of million of barrels of oil in terms of our dependence on foreign countries in the year 2000—and even more in the years which follow.

It is a matter of simple arithmetic. If windpower saves 1 quadrillion Btu's a year, or 1 quad, by the year 2000, we could reduce our oil imports by about 180 million barrels a year. At an average price of $20 a barrel, our foreign trade balance would be improved by $3.6 billion a year. Perhaps that figure demonstrates more clearly how we strengthen our economy, and our country, by moving ahead rapidly with the development of alternative energy sources.

We are in a bad situation today. We have squandered our most environmentally acceptable and obtainable conventional fuels, light crude oil and natural gas, with little thought to the future. Now we have to make some hard choices, and consider the long-term consequences of those choices.

From where I stand, Mr. Speaker, wind energy looks like an excellent bet, and one that we should pursue strongly until we have clear and convincing evidence to the contrary.

● Mr. CARNEY. Mr. Speaker, I rise in support of the bill, H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. Wind energy is an important energy source that in many places in the country can be used to replace imported oil in the not-too-far-distant future. Therefore, an aggressive but well-thought-out wind energy research, development and demonstration program is of crucial importance both to Long Island and to the Nation.

The wind energy legislation before us is actually two important programs in one. Section 5 of this legislation is a wind-energy development and demonstration program that is aimed at developing wind machines around 1 megawatt in size; these machines will be primarily of use to utilities and should provide several advantages for them once these machines become cost-competitive with conventional sources of electricity. Utilities located in windy areas of the country will be able to add on economical small increments to their grid rather than having to guess whether the huge increments of power provided by a conventional coal or nuclear plant will be necessary several years in the future. In addition, wind systems are generally speaking environmentally benign and should be much easier to site.

Section 4 of the bill establishes an aggressive program for development of small-scale wind applications. These machines, by the mid-1980's, should be very attractive as remote or dispersed sources of electricity, if we pass this legislation. The cost-sharing provisions of this legislation for small wind, in my opinion, should give these technologies which are on the verge of being ready to enter the commercial marketplace, the necessary push to make them a commercial reality.

Therefore, I would urge my colleagues to vote for this important legislation.●

● Mr. MINETA. Mr. Speaker, I am proud to ask my colleagues to consider the

Wind Energy Research, Development and Demonstration Act of 1979 as a well-thought-out program for the commercialization of wind energy within the next decade. By voting for passage of H.R. 5892, the House can go on record with a strong statement about our resolve to lessen our dependence on imported oil by developing a new alternative energy source.

H.R. 5892 calls for 1.7 quads or 44,000 megawatts of electric power generation from wind energy by the year 2000, and sets an immediate goal of 800 megawatts of energy from wind systems by the end of 1988. The initial goal under the program will plant the seed for the rapid development of the wind-systems industry which will supply the balance of the 1.7 quads of energy by the year 2000.

The aim of H.R. 5892 is to allow the U.S. wind systems industry to move along the learning curve faster than it would otherwise. The bill is a comprehensive program designed to break through the social, institutional, and economic barriers of developing wind energy with the objective of commercializing wind energy during the next decade.

For both small and large wind systems, the emphasis of H.R. 5892 is on research, development and demonstration in the initial years, and commercialization in the later years. The demonstration efforts will help Americans see that wind is a feasible and practical source of energy that is available now—not in the distant future. By helping to provide a sure market for wind systems, H.R. 5892 will allow the wind industry to gain valuable product research experience and production experience. Yet, the program will subsidize not the industry, but the user, and never for more than 50 percent of the price of the machine. Further, the Federal subsidy decreases to 25 percent in the out-years of the program. The industry is then on its own. Through discussions with industry and Government agencies, the committee found that the 6- and 8-year programs for small and large wind systems, respectively, are sufficiently long to help the industry become commercially viable.

The bill also includes several meaningful studies which will provide the base data necessary for developing the industry. The studies will document wind velocities at various sites, the markets for wind machines, and the need, if any, for further assistance to the industry.

I am particularly pleased with the flexibility of H.R. 5892. Congress will be informed of problems by the Department of Energy as part of the President's annual budget submission; and if the program is an early success and no longer needed, it can be terminated early by the Secretary of Energy.

The programs authorized by H.R. 5892 are also intended to benefit Puerto Rico, Guam, the Virgin Islands, American Somoa, the Northern Mariana Islands, and the trust territories of the Pacific. Many of these places offer high promise for the economic use of wind systems, and we can all benefit from their experience with wind energy.

I am pleased to inform my colleagues that the consensus approach to legislation has been very effective in the consideration of H.R. 5892. Much care was taken to listen during the 5 days of hearings to the concerns of the administration, NASA, the industry, and others. Further, the majority and minority Members and staff have worked together closely to develop H.R. 5892. The result of the consensus approach is the 107 cosponsors of H.R. 5892; and, moreover, unanimous approval by the subcommittee and the full Science and Technology Committee.

In addition, I would like my colleagues to know that the following Members have indicated to me their desire to cosponsor H.R. 5892, but could not do so because the committee report had already been filed.

Mr. PRITCHARD, Mr. THOMPSON, Mr. MAGUIRE, Mr. WEISS, Mr. COELHO, Mr. HAMILTON, Mr. FAZIO, Mr. STACK, Mr. EVANS of the Virgin Islands, Mr. YOUNG of Alaska, Mr. EMERY, Mr. D'AMOURS, Mr. BONIOR, Mr. MILLER of California, Mr. CORMAN, Mr. MAZZOLI, Mr. GAYDOS, Mr. FOWLER, Mr. WOLFF, Mr. RANGEL, Mr. WHITE, Mr. OBERSTAR, Mr. EVANS of Georgia, Mr. MARKS, Mr. FITHIAN, Mr. WILSON of Texas, and Mr. PANETTA.

Mr. Speaker, H.R. 5892 is an excellent bill, and I feel it is worthy of the support of the full House of Representatives.●

● Mr. HEFTEL. Mr. Speaker, today the House has under consideration H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. I would like to take this opportunity to express my strong support for this measure and to congratulate my distinguished colleagues, Congressmen MINETA, BLANCHARD, and JEFFORDS, the original authors of the legislation, for bringing this issue to the attention of the Congress.

Mr. Speaker, at a time when there is talk of gasoline rationing, continued controversy over the development of nuclear power and synthetic fuels and increasing political instability within the OPEC nations, I feel that it is vitally important to upgrade Federal programs for research and development of new sources of energy. H.R. 5892 is designed to accelerate the wind energy program in the Department of Energy by authorizing a goal oriented 8-year program with the object of bringing wind energy costs down to a level where they will be competitive with conventional energy systems.

Mr. Speaker, wind energy is not some exotic, futuristic idea. It is an energy source with a solid technological base going back many years. Already, the cost of energy generated by wind power is the most nearly competitive with conventional fuels of any renewable power source, with the possible exception of the direct burning of wood. Wind electricity generating systems are projected to eventually become competitive with coal and oil-fired powerplants—and with little or no environmental impact.

Mr. Speaker, I am hopeful that my home State of Hawaii will achieve electrical energy self sufficiency by the turn of the century. I have long felt that Hawaii could be a national laboratory for developing renewable resources. However, this dream will be realized only if the Federal Government develops integrated research and development programs within the Department of Energy which incorporate all of the viable natural energy alternatives. As the various indigenous sources evolve from the R. & D. phase, certain ones will become obviously attractive and cost-competitive. I believe that wind energy has the potential to be one of the first alternative energy sources to prove out commercially.

Mr. Speaker, although the early euphoric expectations of nuclear energy undoubtedly had something to do with it, probably the primary reason for the lack of interest in developing wind power through the fifties and sixties was the cheapness and abundance of fossil fuels. This reason is no longer operative. Beyond this fact, I feel that we should be developing our wind resource for three reasons: First, wind is environmentally benign and will not present the myriad of problems associated with nuclear waste disposal or widespread coal or synthetic fuel use for example; second, wind is a domestic energy source which can never be denied to us by the whim of a foreign cartel; and third, wind is renewable and therefore is a source we can truly build our energy future around. As we consider applying modern technology to feed our greatly expanded present and future use of power, the questions of whether an energy source is environmentally acceptable, domestic and renewable should be uppermost in our minds.

Mr. Speaker, as we fashion a broad based national energy policy, it is my hope that renewable sources such as wind will play an increasingly significant role. Clearly, with H.R. 5892, we will have taken an important step toward realizing that goal.●

● Mr. WOLFF. Mr. Speaker, I rise in support of H.R. 5892, the Wind Energy Systems Research, Development and Demonstration Act of 1979. I am proud to have cosponsored this fine piece of legislation and I would like to commend my distinguished colleagues, Congressmen JAMES BLANCHARD, NORMAN MINETA, and JAMES JEFFORDS for their introduction of this important bill. I would also like to commend the distinguished chairman of the Committee on Science and Technology, the Honorable DON FUQUA, for his hard work in bringing this needed bill to the floor quickly and efficiently.

I call my colleagues' attention to a number of recent developments on the energy front:

The near catastrophe at Three Mile Island and the Kemeny Commission's sobering report on the future of nuclear energy;

The spot market price for a barrel of crude oil reaching toward the $50.00 mark;

The fact that the United States imports over 40 percent of the petroleum that we consume;

And the recent flair-ups of anti-American sentiment in the ever volatile Middle East.

These and other recent events

throughout the world convincingly demonstrate the overwhelming need for America to develop reliable, renewable, and environmentally acceptable sources of energy for the 1980's.

It is clear that any efforts the United States makes toward energy independence must be broad based in nature, with an ultimate dependence upon no one particular energy source but with many different technologies and sources contributing to fulfill our energy needs. It is also clear that wind power will be a viable and significant energy source for the 1980's if we choose to develop it. The President's recent Domestic Policy Review of Solar Energy identified wind energy as the nonconventional source of energy which is closest to being cost-effective.

Presently, wind energy systems generate power within 30 percent of the cost of conventional electricity. Significant improvements have been made in the efficiency of this technology, and more are certain to follow in the near future. With the cost of conventional electricity rising rapidly, and with the breakthroughs being made in the wind power field, it is my hope that with this legislation we will see wind energy systems become cost efficient over the next 10 years. Furthermore, wind energy is virtually pollution free, it is indefinitely renewable, and it would appear that initial capital costs for the installation of a small wind energy system will not be unreasonable.

In light of these facts, I must question the decision of the Office of Management and Budget to single out wind energy as the only solar energy research and development program whose budget for fiscal year 1980 was not increased to the level recommended by the Domestic Policy Review of Solar Energy's Panel on Research and Development. The Panel had recommended that the wind program be increased in 1980 to the $100 million level that this bill authorizes for fiscal year 1980. I believe that this is one investment in America's future which would be well worth making. The development of this viable energy source for the 1980's is essential not only for our Nation's energy security but for our national security, as well. This is why I wholeheartedly support the objectives of H.R. 5892:

First. To reduce the average cost of electricity produced by wind energy systems by the end of fiscal year 1988 to a level competitive with that produced by conventional energy sources.

Second. To reach a total megawatt capacity in the United States from wind energy systems, by the end of fiscal year 1988, of at least 800 megawatts, of which at least 100 megawatts will be provided by small wind systems—800 megawatts being roughly equivalent to 6 million barrels of oil.

Last week, the House moved to develop another alternative energy source, the Solar Power Energy Research and Development Act. This week by approving the Wind Energy Research and Development Act of 1979, we can continue America's move toward energy independence in the 1980's. I hope that my colleagues on both sides of the aisle will join me in supporting this important piece of legislation and in helping our Nation move toward the realization of energy self-sufficiency.●

Mr. FUQUA. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. FUQUA) that the House suspend the rules and pass the bill, H.R. 5892, as amended.

The question was taken.

Mr. JEFFORDS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

MATERIALS POLICY, RESEARCH, AND DEVELOPMENT ACT OF 1979

Mr. FUQUA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2743) to provide for a national policy for materials research and development and to strengthen the materials research and development capability and performance of the United States as amended.

The Clerk read as follows:

H.R. 2743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Materials Policy, Research, and Development Act of 1979".

FINDINGS AND DEFINITION

SEC. 101. (a) The Congress finds and declares that—

(1) technological progress in the area of materials is essential for national well-being and security and to enable adaptation to (A) increasing dependence on foreign sources for essential industrial materials, (B) instability of materials markets, (C) international competition for materials, and (D) need for energy conservation and environmental quality;

(2) the United States lacks a coherent national materials policy and a coordinated program of materials research and development consistent with the goals and policies as set forth in the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94-282; 42 U.S.C. 6601 et seq.);

(3) extraction, production, processing, use, recycling, and disposal of materials are closely linked with national concerns for energy and environment;

(4) the United States is strongly interdependent with other nations through international trade in materials and other products; and

(5) notwithstanding the enactment of the Mining and Materials Policy Act of 1970 and the directives and provisions contained therein to the Secretary of the Interior to carry out its provisions that Act has not been implemented resulting in the absence of a coherent national minerals policy.

(b) As used in this Act, the term "materials" means substances of current or potential use in the production of goods or services, with the exclusion of food and of energy fuels used as such.

DECLARATION OF POLICY

SEC. 102. The Congress declares it is the continuing policy of the United States to promote an adequate and stable supply of materials necessary to maintain the national well-being and security with appropriate attention to a long-term balance between energy, a healthy environment, natural resources conservation, full economic factors, and societal needs. Enactment of this policy requires that the United States Government, among other objectives, should—

(1) promote a vigorous and comprehensive program of materials research and development consistent with the policies and priorities set forth in the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94-282; 42 U.S.C. 6601 et seq.);

(2) establish a long-range assessment capability concerning materials needs, including the research and development necessary to meet those needs;

(3) establish a mechanism for the coordination of Federal materials research and development and for the evaluation of materials research and development, Federal and private; and

(4) promote cooperative research and development programs with other nations for the equitable and frugal use of materials and energy; and

(5) promote and encourage private enterprise in the development of economically sound and stable domestic materials industry, including but not limited to mining, minerals, metal and mineral recycling industries as well as the other goals and objectives as set forth in the Mining and Minerals Policy Act of 1970.

ACHIEVEMENT OF OBJECTIVES

SEC. 103. For the purpose of achieving the objectives set forth in section 102, the Congress declares that the Federal Government should—

(1) support basic and applied research and development to provide for (A) advanced technology for the exploration, discovery, and determination of nonfuel materials, (B) enhanced methods and processes for the use of renewable resources, (C) improved methods for the extraction, processing, recovery, and recycling of materials which encourage the conservation of materials, energy, and the environment, and (D) improved understanding of new and current materials performance, processing, substitution, and adaptability in engineering designs;

(2) provide for increased dissemination and effective communication, through existing private and professional channels and otherwise, of technical information and data resulting from research and development activities of Federal, State, and local governments and other sources as appropriate;

(3) assess the need for technically trained personnel necessary for materials research, development, and industrial practice;

(4) recommend appropriate measures to promote industrial innovations in materials and materials technologies; and

(5) encourage cooperative materials research and problem solving (A) by private corporations performing the same or related activities in materials industries and (B) by Federal and State institutions having shared interests or objectives.

IMPLEMENTATION

SEC. 104. Within one year after the enactment of this Act, the President shall submit to the Congress—

(1) a program to implement such proposals and organizational structures within the executive branch, existing or prospective, as he finds necessary to further the policy and objectives as set forward in sections 102 and 103, with such proposals and organizational structures providing for the following minimum elements:

(A) policy analysis and decision determination within the Executive Office of the President;

(B) continuing private sector consultation in policy analysis; and

(C) interagency coordination at the level of the President's cabinet;

(2) recommendations for the collection

and use of information concerning materials, including materials research and development; and

(3) recommendations for legislation to establish programs and institutional structures necessary for the implementation of a national materials research and development policy.

LONG-RANGE ASSESSMENT AND REPORT TO CONGRESS

SEC. 105. (a) In accordance with the provisions of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94–282; 42 U.S.C. 6601 et seq.), the Director of the Office of Science and Technology Policy shall place special emphasis on the long-range assessment of national materials needs and the research and development, Federal and private, necessary to meet those needs. Pursuant to section 206 of that Act (42 U.S.C. 6615), the Director shall assess national materials needs and technological changes over the next five years and where possible extend his assessment in ten-, twenty-five-, and fifty-year increments over the expected lifetime of such needs and technologies. Such assessment shall be revised annually and used in accordance with such section 206.

(b) The Federal Coordinating Council for Science, Engineering, and Technology shall exercise the functions vested in it under section 401(e) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651(e)) in implementing and carrying out the policy and objectives established in this Act.

(c) The Secretary of Defense, together with the Secretary of the Interior and such other members of the Cabinet as are deemed necessary by the President, shall prepare in collaboration with the Director of the Office of Science and Technology Policy a report assessing critical materials needs related to national security and identifying the steps necessary to meet those needs. Such report shall be made available to the Congress within one year after the enactment of this Act. Thereafter, such assessment shall be revised annually, and shall be taken into account by the Director in making his assessments under subsection (a).

THE MINING AND MINERALS POLICY ACT OF 1950

SEC. 106. Nothing in this Act shall be interpreted as changing in any manner or degree the provisions and requirements of the Mining and Minerals Policy Act of 1970. For the purposes of achieving the objectives set forth in section 102, the Congress declares that the President shall direct the Secretary of the Interior to act immediately to attain the goals contained in the Mining and Minerals Policy Act of 1970.

AMENDMENT

SEC. 107. Section 209(a)(4) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94–282; 42 U.S.C. 6618(a)(4)) is amended by inserting after "problems" the following: ", including those involving materials,".

The SPEAKER pro tempore. Is a second demanded?

Mr. HOLLENBECK. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida (Mr. FUQUA) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. HOLLENBECK) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. FUQUA).

GENERAL LEAVE

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection?

Mr. FUQUA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I noted this spring in introducing this bill H.R. 2743, The Materials Policy, Research and Development Act of 1979, follows in succession a number of materials-related bills introduced in the 94th and 95th Congresses by members of the Committee on Science and Technology. This includes our former Chairman, Olin E. Teague. Their concern and mine arises from the apparent reluctance by the Federal Government to address head on the increasingly important issues related to materials and our industrial resources.

The recent decision by United States Steel to cut back its steel producing facilities at the cost of 12,000 jobs is just the tip of the iceberg of problems related to materials in this country. The failure to be innovative in the face of intense international competition is but one of many problems plaguing our basic materials industries. Perhaps of more importance is our severe vulnerability in new resources. Like our petroleum resources of the near past, depleted domestic materials supplies have led to more and more imports to fill our needs. Today we are import dependent at levels exceeding 50 percent of most of our important industrial materials. Many of these are critical both economically and strategically. Moreover, many of these key materials are found only in one or two countries, some of whose economical or political interests may not coincide with those of the United States. For example, 20 percent of our chromium imports come from Russia, with the remainder coming from South Africa and Turkey.

In the recent 5-year outlook on science and technology by the National Research Council materials and related issues warranted a major discussion. They noted:

They recognized interaction and interdependence of materials, energy, and the environment are a needed catalyst for the understanding of the pervasive force of materials technology throughout our world. Certainly, the trends in materials supply, availability, and costs will bring additional pressures and intensify others. Research and development programs on materials, with emphasis on conservation, recycling, substitution, and the management of materials, can provide opportunities to offset some of these pressures.

It would appear that we are at the same point with regard to materials as we were with respect to oil 10 years ago. We must begin taking steps now if we are to avoid such an economic and strategic disaster later.

Aside from the extensive hearings held by the Science and Technology Committee, I would like to note as well the interest shown by our colleagues on the Committee on Interior and Insular Affairs. In particular, the full committee chairman, MOE UDALL, and my colleague from Nevada, JIM SANTINI, have expressed particular interest regarding nonfuel minerals. Their Subcommittee on Mines and Mining has held extensive oversight hearings on the nonfuel minerals policy review conducted by the administration. Mr. SANTINI has also participated in our hearings on materials.

In short, our two committees have been in continuing consultation on the important issues of materials and minerals and, I believe, share many points of view on these matters. I would like to state as a point of clarification that we feel H.R. 2743 and the policy stated is entirely compatible with that expressed in Public Law 91–631, the Mining and Minerals Policy Act of 1970.

In view of the close interest of these two measures, I would like to point out a committee amendment which clarifies the relationship of H.R. 2743 to Public Law 91–631. The amendment is technical in nature and simply underscores the importance of the Mining and Minerals Policy Act of 1970.

I also understand that Mr. SANTINI would like to enter for the record at this time a statement expressing his views on this matter.

H.R. 2743 is only the start in trying to deal with this complex issue. It will, however, require the President to act rather than simply restudy the situation. I strongly recommend this measure to my colleagues and give it my fullest endorsement.

Mr. HOLLENBECK. Mr. Speaker, I yield myself so much time as I may consume.

Mr. Speaker, as ranking minority member of the Subcommittee on Science, Research, and Technology, I rise in support of H.R. 2743, the Materials Policy Research and Development Act of 1979, a concept I have worked hard to bring to the forefront during my time in the House. I want to associate myself completely with the excellent analysis provided in the remark of my colleague, the chairman of our subcommittee. He has done a tremondous amount of work preparing this bill for our consideration. At this time I will simply reemphasize the points which I made in my additional views to our committee report.

The first point I would make is that national materials policy must relate materials needs to our needs for a healthy environment and for assured supplies of energy based on a program of maximum energy conservation throughout our economy. I strongly support the recognition that this bill gives to the interdependence of energy, materials, and environmental policies.

Second, H.R. 2743 calls for the development of long-range materials assessment capability of national materials needs. As the committee report states, innovation in materials technology has an extremely long leadtime—up to 20 years. Beyond that the lifetime of any new technology or new materials production such as mines or forests may last upward of 50 or 100 years. It is very important that we develop a long-range assessment capability so that eventually

we can coordinate and synchronize our public policies with the generation-long turnover of materials facilities and technology. We must work with the evolution of technology—not against it. We cannot afford to scatter resources helter skelter on project after project while failing to sustain our efforts long enough to the point where they can really pay off. The energy situation, over the last 5 years, illustrates this point. We can ill afford to behave similarly with regard to materials.

Mr. Speaker, last year I introduced legislation, H.R. 13025—the Materials Technology and Planning Act—which enunciated these principles. I am glad to see that they are recognized in section 105 of this bill. In the connection, I am also pleased that the mandate for research includes, in section 102, a mandate for research on the process of technological change itself. Greater understanding of technological change in materials production and consumption should be of great benefit in many other fields as well—not the least of which includes change in energy technology and changing impacts on the environment of both materials and energy use.

Third and finally, I emphasize, as I did in my additional views to the committee report, that materials research and development is not an end to itself; it must ultimately find application in industrial technology. Therefore, I fully support the directive which the committee report gives concerning the need for possible financial and tax measures to stimulate the implementation of research through industrial innovation. The materials research and development policy enunciated here should include elements which seek to determine how we can stimulate the application of the research which results therefrom

It is my view and the committee's that when the President submits his recommendations for legislation as called for in section 103, he should include measures of all types including possible financial and tax policy incentives. His recommendations may also include those dealing with patent policy. In short, anything which can stimulate the application of materials research and development is mandated for inclusion under the program which the President is to submit to the Congress in 1 year.

Mr. Speaker, the bill declares that the Federal Government should "promote cooperative research and development programs with other nations for the equitable and frugal use of materials and energy." My colleague on our subcommittee, the gentleman from Ohio, correctly points out that—

> We must work out equitable trading relationships which allow (developing) countries to gain access to loans for capital development and to put our scientific and technical expertise to work on their development problems.—Our access to other countries' critical materials rests on a very basic human foundation. It is essential that we demonstrate to underdeveloped countries that we care about what happens to their people as much as we care about what happens to their raw materials.

In that context, we should also support research and industrial innovations for critical materials so as to reduce our dependence on governments whose values are inimical to our's and whose activities do not enhance the condition of the broad mass of their people. My participation in the recent U.N. Conference on Science and Technology for Development convinced me that resource security, including both materials and energy, depends, over the longrun, on our willingness to apply our scientific and technical resources to foster social and economic development of Third World nations. All the figures I have seen suggest that, provided we retain our scientific and technological leadership through measures such as this bill, cooperative research and development assistance will prove a profitable investment for us besides meeting vital human needs.

Mr. Speaker, I strongly support H.R. 2743; it embodies many of the concepts in materials research and development which I myself have offered in bills in the last Congress and which I co-sponsored—for example, H.R. 10859, the National Materials Policy, Research, and Organization Act, which was introduced by my former colleague, Chairman Ray Thornton, who is admired by all of us for his initiatives in this area. The bill before us represents a fusion of the best concepts of these earlier bills which, themselves, result from many years of work by our committee and staff, particularly Mr. Scoville of the minority and Mr. Maxwell of the majority. I urge the House approve this bill so that we may obtain final passage of this important legislation soon after the new year.

□ 1400

Mr. FUQUA. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. BROWN), the distinguished chairman of the Subcommittee on Science, Research and Technology, a gentleman who has devoted many hours to seeing to it that this bill comes to the floor.

Mr. BROWN of California. Mr. Speaker, I join my colleague, the gentleman from Florida and rise in support of H.R. 2743, the Materials Policy, Research and Development Act of 1979. It is to provide for materials research and development and to strengthen Federal and, where possible, private programs of materials research and development. The bill contains no new funding authority. Any expenditures for assessment or reporting as required by the bill are already authorized by existing law and could be made within current budget limits.

Since the Paley Commission report of 1952 one national commission after another has pointed out the potential dangers facing the United States with regard to the supply of basic materials such as minerals, timber, plastics, and fibers. Yet, for all the talk little action has occurred prior to this bill. The U.S. basic materials industry has an annual output valued at about $20 billion by itself. When translated into finished products the contribution of materials of all types to our national economy rises to over $200 billion. Yet of 27 minerals and metals listed in the monthly report by the U.S. Bureau of Mines, 18 are imported at a level exceeding 50 percent. Many are critical economically and strategically. For example, we import 97 percent of our cobalt, 89 percent of our chromium, 98 percent of our manganese, and 92 percent of our platinum.

We even import a substantial fraction, on the order of 30 percent, of our iron ore. In the nonmineral area we import the bulk of our newsprint. In many ways, the United States position with regard to materials is about the same now as it was with regard to petroleum about a decade ago. Few people recognized the potential vulnerability of the United States to the growing levels of importation of petroleum. The same is now true with materials. As the figures I cited above illustrate, we are now critically dependent upon external sources for our supply of basic materials. As Dr. Bruce Hannay, the vice president of Bell Labs noted in response to committee inquiries, the need for attention to materials resources is greater than ever before. "It would be very timely indeed to act now before we have a materials crisis comparable to today's energy crisis."

These problems are not just the imagination of doomsayers as can be seen by the case of cobalt. This material, critical for making the high temperature alloys used in jet engines, has risen in the past year by over 900 percent in price as a result of political unrest in Zaire, Africa. Similarly over 95 percent of world chromium reserves are in South Africa and Rhodesia, which are currently undergoing changes in their political and philosophical conditions.

This bill provides a first step toward the solution of some of these problems by calling upon the administration to develop a national policy of materials research and development which should include measures of all types. This includes stimulating the application of materials research and development for long-term industrial innovation. The United States currently conducts over $1 billion Federal research and development. This represents about a fifth of all U.S. materials research. Yet coordination and planning of this research between agencies is virtually nonexistent. The General Accounting Office estimated that millions of dollars could be saved in duplicated research if proper information and coordination could be achieved. More important, developing a comprehensive materials research policy would help pinpoint vital areas of research not now carried on—research which could promote and examine new sources of materials or improve new uses of materials in engineering and in industrial and commercial processes.

To the contrary, in spite of all the evident need, metallurgy programs, at the Department of Interior have been curtailed. We must also note that materials problems are not just isolated. They are intimately related to our energy and environmental problems, and nowhere are they limited solely to the consideration of minerals. Much advanced energy technologies such as fusion or such as solar photovoltaics will depend

for their successful application upon the development of new materials. Similarly, the solution of environmental problems such as nuclear waste disposal, resource recovery, conservation and recycling, all require the solution of technical problems in materials research and development. Thus not only must there be coordination within materials research and development but materials research policy must be coordinated with our environmental and energy policies. This should occur at all levels and at all stages of the materials cycle from production or mining through processing and through consumption and ultimate disposal.

Mr. Speaker, one might ask, "What are materials?" Most generally and perhaps most commonly, materials are "the stuff" from which things are made. More precisely, in the words of the bill, "materials are substances of current or potential use in the production of goods and services with the exclusion of food and energy."

They include minerals, as well as renewable organic materials such as wood, plants, or fibers. Some materials, such as petroleum and grains, may also be used as a material, for example, when salt or corn are used as chemical feed stocks. I stress the inclusive nature of the concept of the definition of materials provided in this bill because it is important to recognize, as some have not, that materials includes far more than minerals or metals. And indeed the solution to many of our mineral and metal shortages may only come through the development of new materials such as composites or glasses or various organic substances derived from wood or other plant fibers.

Mr. Speaker, it is useful here to lay out briefly each section of the bill and at the same time I will try to reflect what to my mind and with which my fellow committee members concur, are some of the important concepts and policy principles contained in the bill. The intent and purpose of the bill as expressed in the title is to provide a policy for materials research and development to strengthen the U.S. performance in the development of materials. Research and development, we believe, are intended to be used in implementation of the policy and objectives described. Particular emphasis should be given to industrial innovation. Throughout the bill this notion of a policy for research and development coupled to implementing the results of research in industry is emphasized.

The bill contains five sections. The first section contains the findings and the definition of materials which I have already spelled out. In section 101A there are four findings. The first identifies the necessity for U.S. industry to accommodate itself through technological process to changing circumstances with regard to U.S. reliance on imports and industrial materials; price fluctuations reflecting instabilities both political and economic and the supply of materials; the rapid increase of foreign industrial demands relative to U.S. needs and that such is particularly true in the developing nations, and; there is a growing complex interrelationship between materials supply and use with a need for energy conservation and environmental quality.

The second finding is that there is no articulated and systematic course of action for policy with respect to materials consistent with the goals and policy of the National Science and Technology Policy, Organization and Priorities Act of 1976.

The committee, as the report notes, believes that there is no coordinated program of research and development pursuant to any set of national goals and policies. The third finding explicitly links the activities and processes throughout the entire materials cycle from discovery through processing through recycling and disposal to energy and environmental concerns. The committee believes, and I strongly emphasize, that recognition of this relationship between environment, energy and materials policies is an essential requirement for a sound, national resource policy.

The fourth finding emphasizes the interdependence of the United States with other nations in regard to production and use of materials. As noted above, section 101B defines materials along the lines I have discussed earlier.

The second section, section 102, provides a general declaration of policy. It declares that U.S. policy should be the assurance of an adequate and stable supply of essential materials but attention is called to, and the committee concurred with the necessity for striking a long-term balance between energy and environment as well as conservation of actual resources, economic factors and societal needs. When we frame and determine our actions with regard to the use of materials we cannot only consider the short term immediate costs or the price of materials. Consideration must be given to such long-term effects as resource depletion, environmental pollution and community dislocations caused by the sudden introduction of large scale materials processing industries.

The policy also identifies four objectives for the embodiment of this policy including the promotion of a vigorous program of materials research and development. A second objective is the establishment of the capability to analyze and assess potential changes in supply, demand, technical requirements, and physical behavior of materials. Once again I would emphasize that this analysis and assessment should consider the long term since the benefits of research itself are only fully realized over a generation or more.

The third objective is the establishment of mechanisms to coordinate Federal research and development and to evaluate, where appropriate, private research and development activities both domestic and international. Finally, a fourth objective of this policy is the promotion of cooperative international programs of research and development with particular emphasis on furthering the equitable and frugal use by all nations of global resources of materials and energy. Mr. Speaker, the committee emphasizes that the words "equitable" and "frugal" are included here to recognize the growing worldwide demand for materials and energy in order to satisfy economic and social development needs while protecting the environment.

The third section, section 103, identifies five means to be employed by the Federal Government in order to achieve the policy and its objectives defined in section 102. These are four specific areas of research and development related to:

First. The location of new sources of materials and minerals,

Second. The improved ability to use renewable agricultural and plant materials,

Third. Improved engineering and technology for conserving energy and the environment throughout the materials cycle from extraction to disposal, and

Fourth. Basic research on the nature of materials to provide new and improved engineering properties. One such example is Guayule rubber, currently the subject of the Native Latex Commercialization Act of 1978 which I sponsored last year.

The second means is to improve the effectiveness of scientific and technological information related to materials research and engineering. This information network in materials could well form one link in our contribution to the global science and technology information network called for at the recent U.N. Conference on Science and Technology for Development. I hope we would explore increased use of foreign research documents to our benefit as well as to the application of satellites and other advanced information transmission techniques to disseminate materials information throughout the world.

The third means provides for an evaluation of the training and supply of scientific and technical persons in materials science and technology. We must have and be able to predict the need for scientists, engineers, and technicians in the area of materials research if the policies directed by this act are to be effective.

Fourth, the committee believes that materials research and development offer "a special opportunity for the enhancement of industrial innovation generally." As our committee report notes and the committee concurs, a national materials research and development policy must contain measures for implementing results of research and development. These measures may be of all types, including economic analysis; financial, tax and regulatory incentives; as well as the integration of specific new materials into improved industrial processes for the production of goods and services.

Fifth and finally, this section declares that the Federal Government should seek to encourage, by all means possible, cooperative materials research both nationally and internationally. New approaches to combining and coordinating research in materials across the entire industry should be sought. The new program proposed in the recent Presidential review memorandum on industrial innovation is one example. Cooperative efforts between Federal and State agencies are a further example of cooperative research and development efforts.

Section 104 deals with implementation

and mandates that the President submit, within 1 year after enactment, a program of action to implement appropriate proposals and organization structures as he deems necessary to achieve the policy and objectives set forth in the substantive section of the bill. The Presidential program should provide for a policy analysis in decisionmaking mechanisms within the Executive Office of the President. It should provide for a private sector consultation on policy analysis and for interagency coordination at the Cabinet level. This section also requires two other actions to be reported by the President. First, a set of recommendations regarding actions to improve methods for collection, management and use of information concerning materials science, engineering, and technology.

Second, the President is to submit recommendations for legislation which may be required to strengthen organizations or advanced programs which he identified as necessary to implement the National Policy on Materials Research and Development. These legislative recommendations should cover all measures including financial, tax and regulatory incentives which will stimulate the applications of materials research and development by industrial and commercial sectors of the economy. Such recommendations should consider the effect of any proposed measures on the whole life cycle of materials technology.

That is from initial R. & D. through demonstration to introduction in the economy to the final replacement by new technologies a generation in the future. In addition these proposed measures should, as implied earlier in congressional findings, consider the long-term balance between economic benefits and social, environmental and economic costs.

The fifth and final section provides for the creation of a long range assessment capability within the executive branch with regard to future materials needs and developments. Section 105(a) provides that the Office of Science and Technology Policy is to prepare a 5 year outlook on materials needs. This outlook is to be revised annually and the bill also mandates that the Director of OSTP is to extend his assessment by 5, 25, and 50 years where possible so as to include the whole life cycle of materials technology.

Mr. Speaker, evidence has been provided in testimony to show that innovations in materials production and consumption require upwards of 20 years to become operational. Beyond that, their life span may exceed a generation. Accordingly a comprehensive policy regarding materials research and development and the application of materials research to industrial innovation requires assessing materials needs as well as new technologies far into the future, perhaps, as far as a generation in advance at least in broad outlines.

Such forecasting as the committee report emphasizes, and I concur, should lead to the eventual synchronizing of public policy in national resources with the timing of technological changes in materials production and consumption. Time and time again the situation both with regard to materials shortages and energy shortages provide illustrations of the attempt to mandate short-term solutions to long-term endemic problems in the supply and use of materials and energy. We expect our problems in energy to be solved overnight whereas their true solution may occur only over a generation as one technology slowly replaces another, as one source of energy or one source of materials is slowly replaced by a substitute. It is essential that public technology recognize this gradual evolution and that we learn to work with these essential constraints rather than frantically throwing money after one problem and then the next all to no avail.

Research on technological change in materials production and consumption is necessary to improve our long-range forecasting and assessment capabilities. Section 105 also mandates that the Federal Coordinating Council for Science, Engineering, and Technology is to carry out policy and objectives established in the act as appropriate. Finally, section 105(c) requires the Secretary of Defense, together with the Secretary of the Interior, to assess materials and materials policy from the point of view of national security. The Secretary of Defense is to have the lead in carrying out this responsibility and his assessment would be made annually as a separate section of the annual science and technology report to Congress of the Office of Science and Technology Policy.

Mr. Speaker, the committee made a number of relatively minor amendments most of which were not substantive but were merely intended to clarify the intent of the bill. Most important perhaps in the section on implementation the word "plan" was changed to the word "program" under the mandate to the President. It was the committee's intention that the President come up with a flexible program of action and not with a rigid plan as some witnesses thought might occur if the word "plan" were used in the bill. In addition, the original bill gave the President 6 months to prepare his program of action whereas the committee decided that a year would be more appropriate to achieve the ambitious objectives of the bill.

On page 4 of the bill concerning technically trained personnel the committee changed the language to make clear that we were not attempting to monitor the actual performance of specific individuals but that rather a general assessment of manpower needs in materials research and development and in industrial materials processes was necessary. The committee also deleted a reference to some specific areas of materials research and development such as corrosion or materials processing in space on page 5 of the bill.

While it considers these areas extremely important, it did not wish the executive branch to focus on these four interests to the exclusion of others which might be equally important. The principal substantive amendment on page 7 is the amendment which added the requirement that the Secretary of Defense prepare an assessment of critical materials needs as related to national security. The security aspects of materials research and development and the need felt by many witnesses to be of considerable concern as the case of cobalt illustrates.

Therefore, the committee found it advisable to add this amendment to section 105 so that the Congress and the Nation could have a better view of the long-term impact of materials on national security. Finally, we included four technical amendments to clarify the relationship between H.R. 2743 and the Mining and Minerals Policy Act of 1970.

Mr. Speaker, our committee has held numerous hearings over the past several years on materials policy. This bill grew out of several bills, including those sponsored by the former chairman, Mr. Olin E. Teague, by Mr. Thornton, former chairman of our subcommittee and by Mr. HOLLENBECK, ranking minority member of our subcommittee. Our current bill incorporates many of the provisions of these bills. Furthermore, substantial hearings were held throughout the last session. During this session my colleague, Mr. HOLLENBECK, and I cochaired two sets of hearings and a symposium on materials sponsored by the Subcommittees on Natural Resources and Environment, and Science, Research, and Technology. All nonadministration witnesses were in agreement with the need for the bill and the need for legislation.

Dr. Hannay's remarks, which I cited earlier, are illustrative of this feeling. The administration supported and is in agreement with the committee as to the importance and nature of materials research and development and policy regarding all aspects of materials production and use. They felt that current means for addressing materials problems were adequate. I disagree.

Mr. Speaker, the bill's provisions for implementation are fairly general in nature. We have followed this approach to give the President maximum flexibility in addressing these complex and wide-ranging issues involved. However, we are quite serious in our intent that the President deliver to the Congress a comprehensive and specific program of action. We do not intend that the 30-year history of commissions and paper studies be repeated.

I urge my colleagues to join us in supporting H.R. 2743. This action is long overdue and I hope that by passing this bill today we can successfully persuade our colleagues in the Senate to join us in acting on this important and timely legislation. I urge the House to pass H.R. 2743, the Materials Policy, Research, and Development Act of 1979 today.

Mr. FUQUA. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. PEASE), a member of the committee.

Mr. PEASE. Mr. Speaker, I would like to join my colleagues in urging approval of H.R. 2743, Materials Policy, Research and Development Act of 1979, as amended. The virtues of this legislation are numerous. My colleagues have enumerated the provisions of H.R. 2743 at length. Therefore, I will discuss only a small portion of the bill which I believe is particularly timely today.

The bill under consideration addresses the problems this Nation is experiencing in establishing and coordinating a materials policy. The necessity for speedy enactment of this legislation can be no more self-evident than it is today. We failed to learn an important lesson from the 1973–74 oil embargo. This failure is the foundation upon which we have built our oil dependency and upon which we have handed Khomeini the weapon to attack us. Without a national policy for nonfuel materials in general and for critical materials in particular, we are setting the stage for future embargoes of a large number of imported materials. With these embargoes, we will experience a constant state of national crisis and an attendant paralysis of our foreign policy.

I am a member of both the Foreign Affairs and the Science and Technology Committees. The work of both committees emphasizes the urgency we face in protecting ourselves from capricious and political embargoes on critical materials. For this reason, I support the Ambo amendment, adopted in committee, which calls for the Secretary of Defense with the Secretary of the Interior and the Office of Science and Technology Policy to prepare a report assessing critical materials needs related to national security. The study should also identify steps necessary to meet those needs. As a further precaution, I have asked the committee to include language in its report which responds to my concern over insuring U.S. access to critical materials in foreign countries.

In my view, it is essential that this study include a scrupulous review of existing reports and analyses of materials supplies and depletion of these supplies to determine their accuracy. Reports of oil reserves upon which we base our domestic consumption and the conduct of our foreign policy are notorious for their constant revisions and inaccuracies. It is obvious that we cannot allow our nonfuel materials policy to be developed in accordance with the precedent set by our oil supply forecasts. A workable nonfuel materials policy can be developed only if the statistics used are reliable. Therefore, I have asked the committee to add language in the report analyzing the reliability of the minerals research and factfinding information we are using.

I believe today's debate on legislation establishing a national materials policy is the proper place to make one other point. The security of our access to critical materials can be no greater than our willingness as lawmakers to concern ourselves with the struggles and aspirations of the developing countries of the world. Obviously, the political and economic problems of foreign countries prompt their decisions to restrict supplies or to cartelize price structures for commodities vital to the United States. Yet, there is little discussion of this basic cause and effect mechanism in this country during times of peace. Nor is it adequately represented in the organizational structure of the U.S. Government. Unfortunately, American officials tend to think in terms of two mutually exclusive states—one is war, where anything is possible, and the other is peace—where nothing is dangerous. That approach leaves no provision for the substantial area in between, where most of our current problems originate.

Good relations with developing countries is imperative for the United States as well as for the European community. We must determine how to satisfy our needs for raw materials and for markets for our industrial products. We also must determine how to satisfy developing countries' needs for markets for their raw materials, for markets for their fledgling manufacturing plants, for technical assistance and for development of their human and economic resources. We must work out equitable trading relationships which allow these countries to gain access to loans for capital development and to put our scientific and technical expertise to work on their development problems. Above all, it is important to recognize their growing economic and world political importance.

The security of this country's access to critical materials in underdeveloped countries goes much further than a study of our security needs. Our access to other countries' critical materials rests on a very basic human foundation. It is essential that we demonstrate to underdeveloped countries that we care about what happens to their impoverished, ill-clad, malnourished, disease-ridden people as much as we care about what happens to their raw materials.

Mr. HOLLENBECK. Mr. Speaker, I yield 5 minutes to the gentleman from Idaho (Mr. SYMMS), a member of the Subcommittee on Mines and Mining of the Committee on the Interior and a ranking member of the Subcommittee on Environment and Energy.

Mr. SYMMS. Mr. Speaker, I thank the gentleman from New Jersey.

Mr. Speaker, I wish to compliment the gentlemen from Florida and New Jersey for their efforts regarding the bill the Science and Technology Committee brings to the floor today, H.R. 2743.

As amended, that bill contains important language regarding what now passes for America's national minerals policy—the Mining and Minerals Policy Act of 1970. As my colleagues know, that act is the briefest of statutes containing a congressional directive to the Secretary of the Interior to promote and encourage the development of an economically sound and stable domestic minerals industry. Yet as my colleagues may not know, that act has yet to be implemented in an effective, constructive manner.

Mr. Speaker, over the past 9 months, as as a member of the Miners and Mining Subcommittee, I have participated in hearings regarding the ongoing nonfuel minerals policy review or, as I have called it, the non-nonfuel minerals policy review. During those hearings it has become paramountly clear that the Mining and Minerals Policy Act of 1970 has been ignored and circumvented by this administration much to the detriment of America's minerals industry and to our national security.

The effort of Congress to insure the continued availability of strategic and critical minerals essential to our national survival has thus been frustrated. The result of that avoidance of congressional directives has been the growing dependence of this Nation on foreign sources for minerals without which we may not survive. It is time, Mr. Speaker, that we worried not only about the gas in our tank, but our tank as well.

Testimony received in October by the Mines and Mining Subcommittee from four international mineral experts clearly indicated that were we cut off from minerals supplied by southern African nations our industrial system, and our national defense would be on the verge of collapse within 6 months.

It is time this Nation gave its attention to the ever-growing crisis in nonfuel minerals, lest we learn too late of the importance of these minerals to our Nation.

The bill brought to the floor by the Science and Technology Committee takes an important step in that direction. It is an excellent bill, one which I support. I am particularly pleased with the new directives which it gives the President so as to insure that the purposes of the Mining and Minerals Policy Act of 1970 may be accomplished.

● Mr. SANTINI. Mr. Speaker, while America lies in the midst of a growing crisis over our energy resources, over the fuel that will heat our homes and run our factories, drive our transportation system and furnish us the synthetics which are an essential part of the daily lives of all Americans, there is an ever growing, albeit quietly, crisis even more serious, even more frightening in the danger that it poses for this great Nation of ours. While all in America fret, and justifiably so, over our dependence on imported oil, over our vulnerability as a result of our energy dependence on foreign sources, few seem concerned over the likely disaster that we face as a result of an even more frightening dependence on foreign sources for our nonfuel minerals.

Just as man does not live by bread alone, America does not survive on fuel minerals alone. We need—our lifestyle, our Nation, our defense, our very existence depend on nonfuel minerals, strategic and critical minerals, the manganese, the cobalt, the copper, the chromium, titanium, the silver, the tin, the lead, the zinc, the bauxite, and aluminum and others even more esoteric and obscure. These minerals are just as essential, as vital to our existence as the oil that we burn, as the coal that we dig, as the gas that flows through pipelines across America. Were we to ever lose, to be cut off from these minerals, our industry, our national defense, our very system would collapse.

While we may burn coal instead of oil from Iran, there is no substitute for the cobalt that comes from Africa. While we may utilize the 40 to 60 percent of oil resources that we now leave in the ground in the form of heavy crude and tar sands and thus decrease our frightful dependence on OPEC nations, there is no substitute for the manganese that comes exclusively from southern Africa and Russia or the chromium that comes from those sources. Yet even given the essential nature of these minerals to our

Nation's survival few appear cognizant of the very issue let alone the growing crisis.

It is a growing crisis. Today this Nation is dependent on foreign sources in excess of 50 percent for 24 of the 32 minerals essential to our very being. Many of these minerals come exclusively from foreign sources while some are furnished by foreign nations at the rate of 98 percent. Cobalt and manganese are two of these. Meanwhile, the Soviet Union is import dependent for only six of its mineral needs and only two of the six approach the 50 percent importation level. There is a lesson, an important lesson, regarding national security to be learned here.

It is this issue, that of our growing mineral dependence, that has so concerned the Mines and Mining Subcommittee of the Interior and Insular Affairs Committee—and by the legislation offered today by the Science and Technology Committee—that committee as well. For the past 9 months the Mines and Mining Subcommittee has conducted almost bimonthly hearings regarding this matter of America's growing strategic and critical minerals crisis. The subcommittee has received testimony from the Department of the Interior, Department of Commerce, Department of the Treasury, General Accounting Office, Department of State, the National Science Foundation, the Environmental Protection Agency, as well as representatives of the mining and minerals industry.

These hearings have been conducted both as a matter of congressional oversight as well as a matter of congressional inquiry into this question of America's dependence on foreign sources for minerals essential to our survival. The impetus for the congressional inquiry is a clear one given the crisis into which this Nation would be thrown by a shortage or an embargo or a boycott of all or even some of these vital minerals. The impetus for congressional oversight concerns a Presidentially mandated review regarding nonfuel minerals policy. The origin and status of that review deserve some explanation.

In mid-1977, 25 Members of Congress journeyed to the White House in order to discuss with President Carter the importance of this matter of nonfuel minerals. It was clear at that time that this issue greeted the President as a matter of first impression. It is my sincere belief that he was stunned by the information that was presented to him. Within a matter of months the President ordered that a nonfuel minerals policy review be undertaken by some 14 departments and agencies to last a period of 15 months, to analyze the problems present and to propose solutions. The review was to be conducted regarding some nine problem areas and was to be a sweeping study of this entire matter.

It was an awesome undertaking and one which was fully supported by the Members of Congress who had urged it upon the President. Unfortunately, almost immediately that review suffered its first serious setback in the redefinition by the Policy Coordinating Committee, the name given the 14 departments and agencies conducting the review, of its area of inquiry. The PCC excluded from the study seven issue areas which most experts believe to be essential to an understanding of this matter of strategic and critical minerals. Nevertheless, concerned Members of Congress continued to support the review in hopes that a study would be completed and problems could be fully laid out before this Nation and before the Congress.

Delay built upon delay causing the review to fall far short of its projected 15 month completion date. In fact, the review which was to have been completed in a two-stage process in a 15-month period was only half done in August of this year with the release of a draft concerning the problem areas. Despite the delay, concerned Members of Congress continue to support the review.

In August, the Policy Coordinating Committee released a 250-page background paper which was in fact a synthesis and a rewrite of background papers previously prepared by the PCC staff. That background paper had been synthesized into a 42-page document of which only 34 pages were a textual discussion of the problems facing America. That report was also released in August. For those in the Congress who had such high hopes for this review, the report came as a dismal shock. The report had failed to come to grips with the hard decisions necessary regarding the problems, the impacts, and their interrelationship. The report failed to acknowledge that Government has a role to play in this entire process and absolved the Government of any adverse influence on the domestic minerals industry. The report glossed over the weakened financial condition of America's mineral industry and entirely omitted the national security aspects of America's growing foreign dependence. The report assumed there will always be alternative world sources of cheap mineral supplies while failing to declare a clear consensus on identifying the problems and issues facing this Nation.

These are not just the conclusions and objections and frustrations of the minerals industry regarding this report. These are the views of all who have testified publicly regarding the report. A month after that report was released, public hearings were held regarding it in Los Angeles, Calif., in Denver, Colo., and in Washington, D.C. There was a crowded witness list in every city. Yet not a single witness, neither representatives from industry nor representatives from the environmental community nor representatives from so-called public interest groups spoke favorably regarding the report. It was universally condemned. Yet the review that gave birth to that report will go on leaderless, aimless, in its own innocuous, irrelevant fashion to the continuing detriment of this great Nation of ours. It is time this Congress instructed the administration and advised the administration concerning this growing crisis over nonfuel minerals.

We are not dealing with an esoteric, irrelevant subject. Nearly 2 months ago on the 18th of October the Mines and Mining Subcommittee conducted hearings regarding the matter of national security and the nonfuel minerals policy review. The subcommittee was privileged to have present before it four of the world's most acknowledged experts regarding the national security aspect of nonfuel minerals. It was their testimony, it was their unanimous testimony, that America was on the brink of national disaster, not as a result of our dependence on foreign sources of energy, but solely as a result of our dependence on foreign countries, unstable at best and hostile at worse, for our strategic and critical minerals. These witnesses were asked how long before the crunch would be felt in America were a small part of southern Africa to cut off the supplies of the platinum group metals, of chromium, of cobalt, of manganese, from this Nation. Their answer—6 months. Six months, Mr. Chairman, a tiny part of the world cuts us off and in 6 months we begin to collapse. The greatest nation in the world shudders and quakes when those minerals that supported our entire system are pulled out from beneath us.

The hearings which the Mines and Mining Subcommittee have conducted over the past 9 months have led our subcommittee to two conclusions: The first is that the Mining and Minerals Policy Act of 1970 which this Congress adopted so as to encourage and develop America's mining and minerals industry has not been implemented and, second, that the nonfuel mineral policy review, as I have already indicated, has been and is now a dismal failure.

Mr. Speaker, I want to congratulate the gentleman from Florida for moving quickly through his committee and to the floor this vital piece of legislation regarding America's minerals and materials policy. As well, Mr. Chairman, I would like to thank the gentleman from Florida, the chairman of the Science and Technology Committee, for his fairness and his kindness in dealing with me regarding the amendment that he has proposed to the committee-passed bill and which now lies on the desk which would accomplish the following:

It indicates that the Congress is concerned with the fact that the Mining and Minerals Policy Act of 1970 has not been implemented, its provisions have not been carried out, and that that failure has resulted in the absence of a national minerals policy. This bill further states that it is the intention of the Congress that the 1970 act shall be carried out and it requires the President of the United States to so direct the Secretary of the Interior.

Mr. Speaker, these are important changes, these are changes that the Committee on Science and Technology have accepted at the urging and request of the Committee on Interior and Insular Affairs, Subcommittee on Mines and Mining. These are matters which fall within the jurisdiction of the Mines and Mining Subcommittee but in the interest of expediting this legislation the gentleman from Florida has been kind and gracious enough to assure that the concerns of that subcommittee could be folded into this legislation in this manner. I congratulate him for his skill

and for his cooperative spirit. I urge adoption of this legislation.●

● Mr. AMBRO. Mr. Speaker, I am pleased to join my colleagues in support of H.R. 2743, the Materials Policy, Research and Development Act of 1979. I would like to commend our chairman, the Honorable DON FUQUA, for bringing this legislation so rapidly to the floor for consideration.

At issue here is a glaring lack of policy and coordination addressing important national materials problems. Materials represents over $200 billion in the U.S. economy. We spend over $1 billion in Federal moneys for materials R. & D.—over $4 billion is spent in the private sector. Despite its importance there exists no constitutional structure accepting responsibility for establishing needed materials policy. Neither does there exist a means for implementing or coordinating such a policy.

These facts are crucial, especially given our vulnerability to imported critical materials. As noted in our recent hearings we are at about the same point with respect to materials today as we were with oil a decade ago. Of 27 materials listed by the Bureau of Mines, 18 are imported at levels exceeding 50 percent. The contrast with the Soviets is startling. Looking at these same materials, the Soviets are only importing seven, all at levels less than 50 percent; four at levels of less than 20 percent.

Many of the materials we are discussing are crucial to us—both economically and strategically. A good example is cobalt. Imported at a level of 97 percent and mostly from the African nation of Zaire, it is vitally important to our aerospace and other industries. It takes 1 ton of cobalt for every F–16 fighter—it requires 2 tons for every 747. Because of guerrilla activities in Zaire, production allocations have been halved and prices have soared by over 900 percent. Government analysts indicate a high probability that this shortfall will worsen, yet administration witnesses indicated that actions on this and other materials issues would have to await the results of yet another materials study. Our Nation may not be able to wait that long.

Simply put, this legislation puts forth several straight-forward measures to hopefully preclude the economic and strategic disaster of our past energy policies. We define a policy which calls for a balance between energy, environment, and materials. We describe four objectives of that policy and describe means for achieving such objectives. We call on the President to take action in implementing this policy and such objectives, giving some minimal conditions for acceptance.

Because of the problems of national security, I introduced in subcommittee an amendment which requires the Secretary of Defense, in coordination with other members of the Cabinet and the President's Science Office, to assess the Nation's critical materials needs related to security. This assessment would be conducted and reviewed annually, becoming part of the annual Science and Technology Policy Report to the Congress.

There are other important measures and issues related to this bill. I will leave it to my good friend and colleague from California, GEORGE BROWN, to go into further detail.

I would just note that this bill should not be considered as a panacea to this Nation's materials problems. It represents, however, a good step in addressing those problems. I fully recommend and endorse this legislation. I urge my colleagues to vote for its enactment.●

Mr. RITTER. Mr. Speaker, I rise in strong support of H.R. 2743, the Materials Policy Research and Development Act of 1979. This bill, reported from the Science, Research and Technology Subcommittee on which I serve, will require the President to establish a program to coordinate materials policy and related research and development in this country.

I actively support the views of the committee in reporting H.R. 2743 because I feel a hidden crisis may be brewing in this country caused by a worldwide shortage of critical raw materials. In fact, the United States faces increasingly stiff competition for raw materials even though our consumption of materials has declined from one-half to one-third of world production in recent years. This does not indicate any slackening of U.S. demand but rather the growing world demand, particularly in developing nations. We may face the same problem soon with other raw materials that we face with petroleum as world demand rises and supplies diminish.

I believe most Americans do not realize that our economy is so completely dependent upon foreign sources for critical materials. Of 27 minerals and metals listed by the Bureau of Mines, 18 are imported at levels exceeding 50 percent—including cobalt, chromium, and platinum. Cobalt, which is essential for making jet airplane engines and many high performance turbines, has risen in price almost 900 percent in the last year as a result of political unrest in Zaire, Africa. Or take the example of chromium which we currently import from Southern Africa and the Soviet Union. Chromium is absolutely essential to the steel industry and to those who benefit from it. For example, the chemical industry is totally dependent on stainless steel which is made corrosion-resistant by chromium. The same is true for our entire energy industry. Major dislocations in chromium supply would have a very negative impact upon hundreds of thousands of jobs throughout the Nation.

Given the instability of current sources of supply, we obviously need to develop a materials policy which keeps chromium coming into the United States. On this point, the National Materials Policy Board reported in 1977 that perhaps as much as two-thirds of our chromium consumption could be replaced over the next 15 years by substitute materials and by more efficient use, including recycling.

On the other hand, it is not easy to apply innovative technology. As the National Academy of Sciences' 5-year science and technology outlook points out, major technological innovations in the steel industry are inhibited by a lack of capital investment. It is important, therefore, that this bill which deals with research and development policy also emphasize the need for recommendations, including financial measures, to promote industrial innovation. I strongly concur with the committee's directive that the President's program mandated in section 104 should include measures dealing with all means to stimulate industrial innovation in materials technology.

The committee report emphasizes the comprehensive and systematic nature of materials R. & D. policy. First it recognizes that long-range materials needs are inextricably related to environmental and energy problems. Policymaking in materials research and development should not be carried out in a vacuum. Second, the bill's definition of materials explicitly states that the concept of a material goes far beyond minerals alone. Indeed, the solution to our mineral shortages may well come from the development of substitute materials such as plastics and ceramics.

Further, the provisions of this bill stipulate that the President shall submit to Congress within 12 months of enactment: First, a plan for implementation of organizations and programs for carrying out materials policy and goals of the act; second, recommendations for the collection and use of information concerning materials, including materials research and development; and third, recommendations for further legislation, including financial measures to stimulate industrial innovation.

This important legislation places needed special emphasis on long-range assessment of national materials needs and the research and development necessary to meet those needs as part of the Office of Science and Technology policy's annual report to Congress. The Federal Coordinating Council for Science, Engineering and Technology is designated as the instrument to implement and carry out relevant policy and objectives established in the act.

The time to act on this legislation is now. I strongly urge my colleagues to support the materials policy for the United States embodied in this bill, which, while granting needed flexibility to the executive branch, requires the President to take coordinated action now for the immediate future.

In sum, as a metallurgist and materials engineer who has learned professionally about the stiff competition which the United States faces for raw materials, I strongly support the committee's recommendations and urge passage of H.R. 2743.

Mr. HOLLENBECK. Mr. Speaker, I have no further requests for time. I yield back the balance of my time.

Mr. FUQUA. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. FUQUA) that the House suspend the rules and pass the bill, H.R. 2743, as amended.

The question was taken.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

REQUEST FOR CONSIDERATION OF H.R. 4962, CHILD HEALTH ASSURANCE ACT OF 1979

Mr. WAXMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4962) to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income children and pregnant women, and for other purposes.

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman from Maryland will state the point of order.

Mr. BAUMAN. Mr. Speaker, I make a point of order against the present consideration of the bill, H.R. 4962, on the grounds that the committee report fails to comply with the provisions of clause 3 of rule XIII, the so-called Ramseyer rule.

The relevant provision of clause 3 of rule XIII requires that—

> Whenever a committee reports a bill or a joint resolution repealing or amending any statute or part thereof it shall include in its report or in an accompanying document—a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions proposed to be made.

Section 4 of the bill amends subparagraph (B) of section 1905(a)(4) of title XIX of the Social Security Act. This amendment is properly shown in italic type on page 111 of the report (H. Rept. 96–568). Section 4 further amends section 1905(a)(4) by adding a new subparagraph (D). This amendment is also properly shown in italic type. Subparagraph (C) of this section of the Social Security Act is not amended, but the committee report also has this provision shown in italic type indicating that it is a change in existing law, and is, therefore, in violation of the House rule. Subparagraph (C) is not an amendment nor is it amended by the bill and, therefore, the committee report is in violation of the provisions of clause 3 of rule XIII, which has the purpose of clearly showing existing law and proposed amendments to that law.

The purpose of the rule is to make it readily apparent what change in existing law is intended. I cite volume 8, chapter 236, section 2236 of "Cannon's Precedents of the House of Representatives" in support of this. On Monday, February 3, 1930, the House was considering bills on the Consent Calendar, when the bill—H.R. 8156—to change the limit of cost for the construction of the Coast Guard Academy was reached.

Mr. Fiorello H. La Guardia, of New York, made the point of order that the change proposed in the law was not properly indicated in the report.

The Speaker, the great Mr. Longworth of Ohio, sustained the point of order and said:

> It is perfectly apparent to anyone reading the bill that its language is not exactly in the form prescribed by the Ramseyer rule, which provides that—
>
> "Whenever a committee reports a bill or joint resolution repealing or amending any statute or part thereof it shall include in its report or in an accompanying document—
>
> "(1) the text of the statute or part thereof which is proposed to be repealed; and
>
> "(2) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended showing by stricken-through type and italics, parallel columns or other appropriate typographical devices, the omissions and insertions proposed to be made."
>
> The Chair does not think that the rule has been complied with. What is required under the second part has not been done. Of course the rule is intended to make it evident just what change in a bill or resolution is intended. It is to make this change apparent to anybody without consulting the statute which it is intended to amend.

Mr. Speaker, the report on H.R. 4962 does not make it evident just what change is intended. The report does not make it apparent what is being amended without consulting the statute. In fact, the report clearly and erroneously indicates a section of existing law is amended when it is not.

Furthermore, Mr. Speaker, I note that the report has not even "substantially" complied with the rule. The precedents demonstrate that substantial compliance is achieved even though the report may contain errors of punctuation, capitalization, or abbreviations which are at variance with the bill. The report error here goes far beyond these minor problems and causes difficulty in clearly discerning what this amends and what is now statutory law. The fact that this appears in italic type signifies it as an amendment, which it is not. The report causes confusion rather than clarification and is, therefore, clearly in violation of the rule.

The SPEAKER pro tempore. Does the gentleman from California desire to be heard on the point of order?

Mr. WAXMAN. Yes, Mr. Speaker, I do desire to be heard on the point of order.

Mr. Speaker, there are over 20 pages in the proposed bill. The gentleman is referring to one paragraph, in which I am informed has a typographical error; but the point that I would make in opposition to the point of order that is made is that the Ramseyer is in substantial compliance with the rule and that on that basis the point of order ought to be overruled.

□ 1420

The SPEAKER pro tempore. The Chair would ask the gentleman from California (Mr. WAXMAN) to withhold his motion until the Chair can ascertain whether the Ramseyer rule was violated by the committee or whether a typographical error by the Government Printing Office exists in the report.

Will the gentleman withdraw his motion?

Mr. WAXMAN. Mr. Speaker, I will withhold my motion.

Mr. BAUMAN. Mr. Speaker, if I may be heard further, for the Chair's deliberations I would only indicate that the gentleman from California (Mr. WAXMAN) has offered as his only rebuttal that this is substantial compliance and not anything more than an error.

The fact of the matter that the section is involved I discovered only because of the substantive nature of that section in my own desire to possibly offer amendments. Now, if this gentleman was misled, I am sure other Members may have been misled, and I think the purpose of this rule is to prevent that.

The SPEAKER pro tempore. The motion to go into committee has been withdrawn, so the Chair will at the present time withhold its ruling.

ANNOUNCEMENTS BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair is awaiting the arrival of the gentleman from Kentucky (Mr. PERKINS) to take up the asbestos bill.

The Chair at this time will recognize any Members who wish to make 1-minute speeches.

PERSONAL EXPLANATION

(Mr. CARNEY asked and was given permission to address the House for 1 minute.)

Mr. CARNEY. Mr. Speaker, on Thursday, November 29, 1979, at the request of his mother, I attended memorial services for Marine Cpl. Steven Crowley, who was killed in action defending the American Embassy in Islamabad, Pakistan. Therefore, I missed the three recorded votes taken that day. These are the only votes on legislation that I have missed this year. Had I been present, I would have voted in the following manner:

Rollcall No. 692: An amendment to the Nuclear Regulatory authorization bill that requires the NRC to submit certain information to Congress on safety issues regarding nuclear reactors. I would have voted "yes."

Rollcall No. 693: Prohibition on granting of new construction permits for new commercial powerplants through March of 1980. I would have voted "no."

Rollcall No. 694: On agreeing to the conference report authorizing appropriations for programs under the Domestic Volunteer Service Act of 1973, and to amend the act. I would have voted "no."

ASBESTOS SCHOOL HAZARD DETECTION AND CONTROL ACT

(Mr. MILLER of California asked and was given permission to address the House for 1 minute.)

Mr. MILLER of California. Mr.

Speaker, I rise in support of the enactment of H.R. 3282, the Asbestos School Hazard Detection and Control Act.

This legislation will provide very limited Federal assistance, predominantly in the form of repayable loans, for the removal of deteriorating asbestos materials in school buildings. Both grants and loans must be matched 50–50 by the State or local community, and the loans must be fully repaid to the Federal Government.

The inhalation of asbestos fibers has been tied to increased rates of lung cancer and other respiratory disease with absolute certainty. No one disputes the direct correlation between exposure to asbestos materials and these fatal diseases.

The incidence of asbestos related disease is limited to those who have been exposed in occupational settings. A recently disclosed opinion, dated 1948, warned asbestos company officials that even those with minimal exposures could develop asbestos-related illness.

Elevated cancer rates have also been documented among the families of asbestos workers, even though those family members themselves never worked with the substance. Similarly elevated rates have been found among those living in the vicinity of asbestos factories.

Beginning just after World War II, asbestos was heavily used in the construction industry, including the construction of school buildings. Up until 1973, when its use was largely banned, sprayed asbestos was applied in the construction of thousands of schools throughout this country.

Today, some of that asbestos material is deteriorating and is crumbling, or, in the language of the experts, becoming friable. Asbestos fibers are being released into the air of the school buildings, and are being inhaled by schoolchildren and employees alike.

This is a very serious problem. In most cases, the fiber content of the air is very low, but in some cases, it approaches and even exceeds low occupational levels.

During testimony on this problem, the Director of National Institute on Environmental Health Sciences, Dr. David P. Rall, noted:

> The asbestos hazard would be serious enough if workers were the only group at risk, but there is some evidence to indicate that much lower levels of exposure to asbestos than found in the workplace are capable of producing asbestos related disease. . . . the conclusion is that exposure means risk.

One of the Nation's leading doctors who has studied asbestos in school buildings echoes this opinion. Dr. Robert Sawyer of Yale University told the subcommittee:

> The use of the Occupational Safety and Health (OSHA) exposure limits is quite inappropriate for school children . . . all unnecessary exposure to asbestos should be eliminated and all essential or necessary or unavoidable exposure should be minimized.

We should also note that children may especially be at risk with regard to asbestos-induced cancers for several reasons:

Their accelerated rate of cell multiplication;

Their increased respiration rate;

Their rate of physical activity and destructiveness;

And especially, their long life expectancy following exposure, during which the disease may develop.

It is very critical to recognize that asbestos-induced cancers have a very long latency period, sometimes as long as 20 to 30 years. It is not surprising that we cannot point to cases of asbestos-related cancers in schoolchildren today, just as we did not have a large number of cases involving occupationally exposed people several decades ago.

Today, literally millions of people who were exposed in the 1940's to 1970's are "at risk." We do not know how many of them will develop cancers, although HEW has predicted that about 18 percent of future cancer deaths will be attributable to asbestos exposure. Dr. Sawyer describes our situation with regard to those cases as "nothing short of body counting."

I do not think we want to get ourselves into a comparable situation with regard to our children, and that is one reason that enactment of H.R. 3282 is essential.

As Dr. Nicholson has written:

> The "prudent person approach" would indicate that, at the very least, where feasible, excess asbestos exposure be controlled.

Several years ago, the leading asbestos expert in the world, Dr. Irving Selikoff, told a Senate committee:

> The prevention of cancers in the year 2000 have to be our concern in 1973. It is what is happening in 1973 which will become evident in the year 2000.

The thrust of this legislation is to assist hard-pressed States and local communities in removing those asbestos materials which are deteriorating and crumbling, and which, in the words of the legislation, constitute "an imminent hazard to health and safety."

We do not want to redesign the Nation's schools. We do not want to encourage the needless repair of buildings.

But neither do we want to stand by and do nothing to assure that very serious health hazards are removed from our Nation's schools where, according to a low estimate, nearly 2 million students may be exposed daily.

I want to point out some of the very important features of this legislation, because they have been written in such a way as to assure that this is a limited program.

First, this program is entirely voluntary. No school need undertake inspection or repair activities, and no one need take a grant or loan from the Federal Government.

The issue of whether States will be mandated to inspect their schools is a separate issue which may be addressed by the EPA. If that Agency decides to press for mandatory inspections, it seems to me that the argument for this legislation becomes all that much stronger.

Second, most of the funds in this legislation are in the form of loans for use in the repair or removal of asbestos materials. These loans must be fully repaid to the Federal Government.

Third, recipients of Federal grants or loans must put up half the cost of the program. This 50–50 match assures that States will not frivolously apply for Federal loans.

It should also be noted that only those situations involving friable or deteriorating asbestos materials which pose "an imminent hazard to health and safety" of school children and employees are eligible for Federal assistance. We will not loan funds to repair any materials which is not likely to emit asbestos fibers into the ambient air of the school. Rigid standards for qualifying for a loan will be established on the basis of sound scientific criteria.

I would like to briefly address some of the questions about this legislation which might be raised.

I thoroughly object to the amendment which will apparently be offered by Mr. GOODLING which would merely permit States to divert up to 1 percent of their Federal education funds to an asbestos control program. While I am gratified to see that Mr. GOODLING supports the idea of Federal assistance in the elimination of asbestos hazards, this is not an appropriate financing method.

Moneys which have been appropriated for education purposes are needed for instruction, and must not be used for other purposes. These funds are limited enough without raiding them for other worthwhile purposes.

This view has been echoed by Albert J. Comfort, Jr., president of the National Association of State Coordinators of ESEA Title I—Education for the Disadvantaged.

> I would like to voice a strong objection to the diversion of title I ESEA funds for purposes other than those established in the title I statute. However meritorious the removal of the asbestos hazard in classrooms may be, it is inconceivable that title I funds would be considered for that purpose.

Approval of the Goodling substitute would establish a dangerous precedent whereby education money would forever be raided for other admirable purposes. We should strongly vote down that substitute.

I would also like to remind my colleagues that the authorization in this legislation would be used only if approved applications were submitted for funding. It may well be that the level of need will not be as high as the estimates at the time the legislation is written, or that some areas will not choose to apply for Federal loans, or will not qualify.

In any event, I want to point out that the Congressional Budget Office, in reviewing H.R. 3282, concluded that the maximum expenditure for next fiscal year would be just two one-hundredths of 1 percent of outlays, and the inflationary impact of this expenditure would be minimal. For the remaining 3 years of the program, the percentage shrinks still further.

I really do not think that that amount of money is too much to allocate to the elimination of this serious health hazard to children. As a preventive effort

alone, it is a very wise expenditure. And, you must keep in mind, virtually all of that money will be repaid, in full, to the Government.

Lastly, let me address the administration's position on this legislation. It has been all but impossible for us to get an opinion on this legislation out of the administration for many months. Meanwhile, several representatives of the administration have testified in support of removing asbestos hazards from schools.

The administration statement notes that the Federal Government role should be limited to providing technical assistance and research to the States.

I disagree. Not every school district, not every State is going to be impacted by asbestos problems. But for those which are, and this includes States like Massachusetts, Georgia, Michigan, New Jersey, Ohio, New York, California, Florida, Indiana, Pennsylvania, Louisiana and others, I do not see why we cannot extend a very limited Federal hand, if those areas are willing to put up at least an equal part of the funding. And, I remind my colleagues, they will have to repay every dime they take in loans from the Federal Government.

We know that many States are reluctant to initiate a detection program because they do not have the funds to follow up with repairs. Although HEW urged Governors to initiate an inspection program of all their schools a year and a half ago, by last December only 13 States had inspected more than 1 percent of their schools.

We have all sorts of special loan programs and disaster funds to deal with unexpected emergencies. We provide bailouts to companies that make managerial mistakes, or that market a faulty product or pollute the environment and need Federal support.

I cannot believe that it is reasonable for this Government, whose own specialists and experts are very concerned about this asbestos problem in schools, to limit its efforts to solve that serious problem to merely warning the States. I think we can offer a small amount of help in the form of loans in order to assure that detection and repair activities are undertaken expeditiously and safely.

I would like to close by noting that a companion bill has already been introduced in the Senate by Senator JAVITS. His cosponsors include Senators STAFFORD, MOYNIHAN, CRANSTON, KENNEDY and BRADLEY.

I am hopeful that the House will pass this legislation intact this week, so that we may move over to the Senate and assure that a final bill is on the President's desk early next year. This will hopefully allow States to proceed with detection programs so that repairs can be made during the summer of 1980 when buildings are normally vacant.

I again urge my colleagues to vote in favor of passage of H.R. 3282.

HAZARDOUS ASBESTOS MATERIALS

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3282) to establish a program for the inspection of schools to detect the presence of hazardous asbestos materials, to provide loans to local educational agencies to contain or remove hazardous asbestos materials from schools and to replace such materials with other suitable building materials, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3282, with Mr. BENJAMIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Kentucky (Mr. PERKINS) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. ERDAHL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 3282, the Asbestos Hazard Detection and Control Act of 1979, addresses a very serious threat to the health of our Nation's schoolchildren. This bill would help school districts and private schools identify and control the exposure of schoolchildren and personnel to hazardous asbestos fibers.

But before I describe the contents of the bill, I would like to take a minute and commend Congressman GEORGE MILLER of California for the leadership he has shown in this area. Mr. MILLER's bill is the one before us today, and I believe that he is the leading expert here in Congress on the issue of the health dangers posed by exposure to asbestos.

The bill before us represents a reasonable solution to an urgent need. For some time, medical evidence has existed linking asbestos with cancer and with other chronic or fatal diseases. The overwhelming scientific and medical opinion holds that there is no threshold level below which exposure to asbestos fibers can be considered safe. And the long life expectancy of children increases the chances that asbestos-related cancer, which takes 15 to 40 years to develop, will occur within their lifetimes.

Mr. Chairman, the committee thoroughly investigated this problem in hearings and legislative sessions. At that time we discovered that hazardous asbestos materials have been found in many of our Nation's schools. And in too many instances, this asbestos material is damaged or deteriorating, and is releasing dangerous fibers into the air within the buildings.

H.R. 3282 would help school districts and private schools remedy these problems by providing two types of Federal assistance.

First, the bill makes Federal grants available to school districts and private schools to inspect their facilities to detect the presence of asbestos. The bill authorizes a total of $30 million for fiscal years 1980 through 1982 for these grants.

Second, H.R. 3282 authorizes $100 million per year for fiscal years 1980, 1981, and 1982 for long-term, interest-free Federal loans to school districts and private schools. These loans can be used to contain, remove, or replace asbestos-containing materials which pose an imminent health hazard in school buildings. The loan money can also be used to restore these buildings to their former state before containment or removal activities.

The legislation will only cover up to 50 percent of the costs of both the detection and removal programs. The remainder of the costs will have to be supported from State and local funds. However, the Secretary of HEW is given the authority to increase the Federal share up to 100 percent for districts and private schools with limited financial resources.

In addition, grants and loans can be made to retroactively reimburse districts and private schools for activities conducted back to January 1, 1977.

To my mind, the need for this legislation is quite clear. But for the information of the Members, I would like to devote the remainder of my remarks to answering three questions which will likely arise in connection with the bill.

EXTENT OF THE PROBLEM

First, I suspect my colleagues are interested in knowing what the extent of the problem is.

Undoubtedly, many of you have been contacted by parents in your district concerned about the presence of asbestos in their children's schools. In fact, asbestos was widely used in schools between 1940 and 1972 for fireproofing, insulation, soundproofing, and even decoration.

Although there has been no systematic national inspection, the Environmental Protection Agency has estimated on the basis of preliminary surveys that between 5 and 15 percent of our Nation's schools may be affected.

What is more disconcerting is that several States in different parts of the country have confirmed the presence of loose, flaking asbestos materials in their schools. And a comprehensive study of schools in New Jersey revealed that where there is material in this form, the concentration of asbestos fibers in the air can even exceed the standard that has been developed for asbestos contamination in the workplace.

In my view, this alone is sufficient evidence to warrant Federal concern. In fact, the Federal Government has already demonstrated its concern by banning the use of asbestos in spray-on applications, and by the Environmental Protection Agency implementing a program to distribute information to State and local educational agencies to help them assess whether they have a problem and what can be done.

To summarize, the extent of the problem covers between 5 and 15 percent of the schools in the country. And the level of danger is not precisely known, but could in many instances equal that of the workplace.

NEED FOR FEDERAL ROLE

A second question that might be raised is why the Federal Government should undertake to help pay for the costs of remedial action. There are several reasons why.

First, removal and replacement activities can be quite expensive—anywhere from $2 to $12 per square foot. When one considers that an average school project will involve about 10,000 square feet, one can see how a school could be hard pressed to undertake such a program. In these times of inflation and limits on local taxation, raising all the necessary funds can be almost impossible for some school districts.

And if a recent Environmental Protection Agency proposal comes to pass, school districts may soon be required by the Federal Government to correct dangerous asbestos situations. On September 20, the EPA published an advance notice of proposed rulemaking calling for public comments on EPA's intention to regulate what constitutes an acceptable level of asbestos in a school building. Thus, it is possible that within a matter of a few months, school districts will have no choice but to rectify these hazards pursuant to a directive of EPA. Already, schools are anticipating this situation and asking how they will pay for this work.

Second, the States have been very slow to move in this area. The committee found that half the States have no asbestos program, and that only six of the States have inspected more than 20 percent of their schools.

Third, no authority presently exists in Federal law for a program of this magnitude. Both EPA and HEW have told the committee that they feel their present authority is limited in this area and that there must be legislation for them to go beyond the present scope of their activities.

Fourth, a systematic Federal program would assure that the work is done according to safety and quality control standards. According to the EPA, poorly performed work can create a greater hazard than it eliminates. And it is unfortunate that this has already occurred in some places. Consequently, the bill requires the Secretary of HEW to develop safety and quality control standards, to eliminate the possibility of profiteering by unscrupulous outfits.

Fifth, another reason to support the bill is that it will actually save the Federal Government money in the future. If we do not remove this dangerous asbestos soon, we run the risk of exposing schoolchildren to it; and, as a result of that exposure, some could become ill with cancer or asbestosis when they become adults. Such illness for many of them will cost the Federal Government in the years ahead through increased expenditures for medicare and medicaid and unemployment compensation. So, to state it in purely dollar terms, it pays to spend a little now to save more in the long run.

For all these reasons, I believe the Federal Government must become involved. However, I would like to point out that such involvement would not unduly burden the Government. The loans authorized by the bill are required to be paid back within a specified period of time. In addition, the inspection program will certainly uncover instances where, although asbestos is present, it does not constitute an imminent hazard and therefore no further action will be needed.

AMENDMENT TO DIVERT PRESENT FUNDS

The final question I would like to address is why a substitute amendment which would allow States to use 1 percent of their Federal elementary and secondary education funds for this purpose is inadequate.

I see several shortcomings with this approach:

First, it would set a dangerous precedent of redesignating already-appropriated money. While 5 percent, the maximum amount that could be taken from any one program, does not sound like a lot, it could easily add up were Congress to take advantage of this option very many more times.

Second, when the current inflation rate is taken into account, the fiscal year 1980 appropriations for the education programs in question already represent a virtual standstill for some programs and a reduction in real dollars for others.

For example, the Labor-HEW appropriations bill includes additional money for only a limited number of school districts in the title I program, and these are just the poorest districts. The other school districts will receive the same amount as they received last year which means a substantial decrease when you consider inflation. Nor does the appropriations bill include any notable increases for any other State-administered education programs.

So this means that school districts will already have to cut back on the services provided, just to keep pace with inflation. To ask them to take a further reduction to support an asbestos removal program does not seem fair.

Third, the substitute would leave all decisions about whether to mount an asbestos program in the States' hands. As I mentioned, many States do not have a good track record in this area. The substitute would make no provision for schools, no matter how serious their asbestos problem, in States which do not choose to participate. In addition, there is no guarantee that the States will adhere to acceptable safety or quality control standards for asbestos detection, removal, or containment work.

Mr. Chairman, for all these reasons, I would urge my colleagues to speedily pass the committee bill, H.R. 3282. The problem is serious. There is a need for a limited Federal role. And most importantly, I do not think we should tarry when the health of our Nation's schoolchildren is at stake.

□ 1440

Mr. ERDAHL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first I would like to associate myself with the previous remarks of our distinguished chairman, the gentleman from Kentucky (Mr. PERKINS), regarding the need to deal with any asbestos hazard in our schools, which poses the likelihood of imminent or potential danger to persons in those buildings.

Most reasonable people agree with the intent of this legislation, to assist States, local school districts and nonpublic schools in surveying the extent of exposure to an asbestos hazard and to correct dangerous conditions.

I want to commend our chairman and the gentleman from California (Mr. MILLER) for bringing this critical problem before this body, however, I have serious reservations about creating an additional Federal spending program with its accompanying layer of bureaucracy, paperwork, cost, and duplication.

I believe there is a more effective way to assist State and local education authorities in the process of detecting and removing any asbestos hazard.

I intend to support the approach which will be offered as an amendment in the nature of a substitute to the committee bill. This substitute approach will be offered by my colleague, the gentleman from Pennsylvania (Mr. GOODLING). This was also offered during consideration by the committee. I feel this is more efficient and realistic than the bill reported out of the committee.

The Goodling substitute is based on the fact that the Environmental Protection Agency already is currently involved in an ongoing nationwide information and technical assistance program to assist States, and I understand every school district in the country, in the process of identifying and controlling exposure problems caused by asbestos-containing material in school buildings. The substitute approach is intended to reenforce this effort by allowing State and local education authorities the option of using up to one percent of their Federal elementary and secondary education funds for the purpose of detection and/or removal or containment of an asbestos hazard based on EPA guidelines.

I would correct one observation made by the distinguished chairman. My understanding is that in the Goodling amendment these funds would not be limited just to title I funds, but all Federal education program funds.

The substitute insures no more than 5 percent of the Federal funds for any specific education program can be used. This, I think, preserves the viability of these various Federal educational programs.

I would also like to point out that the substitute amendment would in no way affect the impact aid funds. All impact aid funds are already available for use by the local educational agencies for detection and removal of asbestos; therefore, the impact aid funds are not included in the 1-percent aggregate of Federal aid to elementary and secondary education administered by the State education agencies, nor are they limited by the 5-percent ceiling for an individual program.

Comparison of the two approaches, Mr. Chairman, shows the advantages of the Goodling substitute. Whereas, the substitute would not expand the Federal

budget, the committee bill would initially cost $30 million which is not budgeted.

In addition, the committee bill authorizes up to $100 million for each of 3 fiscal years to be used for 20-year interest-free loans, a provision which amounts to a potentially enormous cost to the taxpayers.

Since the substitute affords a means for corrective action without the need for a separate appropriation, it insures that any hazardous conditions in our schools can receive immediate attention.

In contrast, the committee bill is merely an authorization requiring a separate appropriation. Recognizing the current congressional attitude toward new spending programs, along with that from the White House and the OMB, are we willing to risk delay on this issue if our children are in danger of exposure to hazardous levels of asbestos in the school environment?

I think we should not take that risk. My colleagues might be interested to learn that the Congressional Research Service reported that under the provisions of the Goodling substitute, the following amount of money would be available to States for use in asbestos detection and removal and containment programs based on 1977–78 figures.

The total amount available nationwide from the 1 percent of the Federal elementary and secondary education aid administered through the State education agencies is over $60.6 million. It should be noted that the State and local authorities would decide on whether to use this amount in part or in total. Yet, the 5-percent cap on the amount that can be redirected from any particular program preserves the integrity of all our Federal education programs. The figure that I just mentioned does not include the over $767 million now available to schools in the from of impact aid funds in the district where that is applicable.

Therefore, depending on the severity of the problem in a particular State, a significant amount of Federal aid would be available.

From the perspective of administrative efficiency, the substitute again in my opinion proves to be superior. It offers the option of using Federal aid without any significant increase in bureaucracy or State and local paperwork.

On the contrary, the committee bill, as reported—and incidentally, I voted for it, but I think the substitute is a better one would establish a new bureaucratic task force with the usual requirements for standards, plans, and review procedures. Although this aspect was somewhat improved by amendment in committee, the potential still exists for duplication, overlap, and confusion of authority between HEW or the new Department of Education and between the EPA.

The advantage of the substitute is that it reinforces and utilizes the ongoing EPA mechanism rather than creating a new and separate entity to accomplish the same goal.

I urge my colleagues to support the substitute amendment when this bill receives further consideration on the House floor.

Considering the uncertainties regarding actual assistance associated with the bill, as reported, and here we talk about, of course, the need to go through the appropriations process, not only in the House but in the other body as well, it seems that this bill has more certainty of being accepted by the Congress in total.

I feel the reasons for adopting the substitute are persuasive. They are not based upon an unwillingness to provide Federal aid to prevent exposure of our schoolchildren and personnel to an asbestos hazard. Rather, they are considerations based on efficiency, cost, and the possibility of realistic action.

The substitute does not raise expectations, while the committee bill might raise false ones, of potential Federal assistance, but rather, allows State and local education authorities to select their priorities while guaranteeing them the availability of aid for the detection and removal of any asbestos hazard.

For all these reasons, Mr. Chairman, and with full respect for the distinguished chairman of our committee, I feel that the substitute will improve upon the committee's approach.

I plant to support the Goodling substitute's positive solution.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, I rise in support of the Asbestos School Hazard Detection and Control Act of 1979, H.R. 3282. This bill would establish a Federal program of grant assistance to schools for the detection of asbestos hazards and loan assistance to remedy these hazards. And I want to commend this committee for the action they are taking today.

Over the past 30 years or so, asbestos use in school buildings has been common. In recent years, much attention has been drawn to the health hazards of asbestos. I have been, for quite some time now, actively involved in helping to focus attention on the asbestos problem in general, especially in the workplace. I would hope that the type of concern exemplified by this bill can be extended to the workplace, as well as to schools. I have been, and remain, particularly concerned about exposure of workers to asbestos in our naval shipyards. For fiscal year 1979 Congress provided, and the President approved, a naval operations and maintenance budget of almost $12 billion. Out of this total, the Navy ought to be able to find the funds to protect its workers.

An examination of Long Beach Shipyard workers in 1978 revealed that 16 percent had asbestosis. Thirty-seven percent who had been employed there between 22 and 27 years had the disease. A recent GAO report indicates asbestos will continue to be used for years in some ships. The Navy believes that replacing it with a substitute would be too costly.

This bill before us today, H.R. 3282 is a bill that will help address this same problem in our Nation's schools. Potentially dangerous levels of contamination do exist in some schools. This measure is needed to help determine the extent of the problem and to deal with it. I would urge my colleagues to support H.R. 3282. I also hope that the concern demonstrated in this bill will not end here.

□ 1450

Mr. ERDAHL. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman from Minnesota for yielding this time to me.

Mr. Chairman, I rise in support of the proposed substitute bill to be offered by our colleague from Pennsylvania (Mr. GOODLING).

I have been disturbed by the legislative process of this bill before us because I think it points up one of the worst aspects of congressional activity, and that is with each new problem we want to create a new bureaucracy, have a new authority for appropriation, another item in the appropriation process, and much time, much waste goes with that sort of congressional activity.

We created some years ago the Environmental Protection Agency to be the principal focus of Federal action in environmental matters. The Environmental Protection Agency is there. I think it is working and working quite well.

If it is not working, I think we have an obligation in our oversight responsibilities to find out that it is not working, what the defects are, and then make certain that the changes are made to assure that the Environmental Protection Agency does work. I think, as I said, it is working.

I have here before me copies of the Federal Register for Friday, July 13, 1979, and Thursday, September 20, 1979.

In the July 13 Federal Register the Environmental Protection Agency makes this announcement:

> The Environmental Protection Agency has decided to grant the petitions of the Environmental Defense Fund and State of New Jersey that EPA initiate a rulemaking proceeding to regulate asbestos-containing material in schools.

Then they go on and explain the proposed rulemaking.

Then the Thursday, September 20, Federal Register contains the following EPA notice:

> EPA has initiated a rulemaking proceeding under the Toxic Substances Control Act regarding friable asbestos-containing materials in schools. This action is a continuation of EPA's school asbestos program announced March 23, 1979.

The proposed rulemaking discusses EPA's plans for a—

> . . . rulemaking to require 1] a survey of elementary and secondary schools to determine whether they contain friable asbestos-containing materials; 2] corrective action in situations which present an unreasonable risk to the health of students, teachers, or others who use or work in the school buildings; and 3] periodic reevaluation of friable asbestos remaining in schools to determine whether subsequent corrective action is necessary.

In addition to this rulemaking, EPA has already initiated a voluntary program of assistance to schools that request such assistance in identifying and assessing the extent of risks that asbestos might have in our schools.

So we have parallel actions by the EPA. We have the voluntary program for assessing the extent and finding ways to do away with the risk that are in our schools, plus the rulemaking which will force all schools to undergo a process of determining the extent of the risk and taking action to resolve that risk.

I think adopting the Goodling substitute is wholly compatible with what EPA is doing, which will then make Federal funds available to those local jurisdictions, local school districts that find they do not have sufficient local resources to comply with the rulemaking or to engage in the voluntary activity under the auspices of the EPA.

To start a whole new program instead of that, to set up an entire new bureaucracy, find some place to house them, have them come back here and go through the appropriation process, and then have this terrible bureaucracy along with the EPA just seems to me to be the height of folly.

I do understand that it is awfully nice if there is a headline in the newspaper today for the Congress to react, for somebody to get their name on a bill, and then maybe even have that go down in history as the Erlenborn antiasbestos program. You know. that is wonderful. But then when we find asbestos in a factory, it will be the Goodling antiasbestos program, or, as we had here on the floor of the House some years ago, a fourth or fifth antirat program because it was handy to have another Congressman get the credit for having heart enough to start a new program to solve a current problem.

How much better than creating these monuments for each other it would be if we would see that the already existing bureaucracy did the job that they are supposed to do. If there is a shortage of funds in the ordinary process, make some funds available. It will take less time, it will take less of our effort. It will mean a reduction in paperwork and bureaucracy, and it will mean the problem is likely to be solved more rapidly and in a better manner.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to my chairman.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ERDAHL. Mr. Chairman, I yield 3 additional minutes to the gentleman from Illinois (Mr. ERLENBORN).

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to my chairman.

Mr. PERKINS. Mr. Chairman, I would like to ask the gentleman from Illinois if it is not true that both the EPA and the HEW have stated that they could not do any grant-making work in this area unless they had legislative authority.

Mr. ERLENBORN. I will be happy to answer the gentleman. The answer to that is no.

As a matter of fact, EPA is already, and if the chairman were listening to me he would have heard me say EPA already has the voluntary program and the rulemaking procedure both active and both in place. So there is no question but what they have the authority.

As a matter of fact, I would like to tell the chairman and the rest of the Members that I wrote to the EPA to ask them their opinion of this proposed legislation, and they did prepare an answer to me that went to OMB. It never got out of OMB. Just why I am not certain. But as I recall, at that time this Administration was opposed to this legislation, at least initially. I have not heard whether they have changed.

Mr. PERKINS. If the gentleman will continue to yield, let me say to the gentleman that the EPA has the authority to send out information to the school districts, but beyond that they do not have authority. They do not have any money or any authority to grant funds to make loans to detect or to remove asbestos in a dangerous situation.

Mr. ERLENBORN. I will not yield to the gentleman further now.

I would like to answer the gentleman. They do have the money, they do have the authority to engage in rulemaking. That they are doing. If the chairman had been listening to my original comments, I pointed out that we could make money available to comply with those rules through the Goodling substitute. I am supporting that.

Mr. PERKINS. I do want to state to the gentleman in response——

Mr. ERLENBORN. I will be happy to yield to the chairman.

Mr. PERKINS. If the gentleman will yield, the EPA has the authority to send the information, but they do not have any authority to makes grants to detect asbestos or to make loans to remove danerous asbestos in a school system.

Mr. ERLENBORN. Then the chairman will want to join with me in supporting the Goodling substitute to make that money available.

Mr. PERKINS. And I want to state further, if the gentleman will yield, neither does EPA have authority to make grants available.

Mr. ERLENBORN. Then the gentleman will have to support the Goodling substitute for that, and I welcome the support of my chairman to see that the Goodling substitute is adopted.

□ 1500

Mr. PERKINS. Let me say to the gentleman that I hope that no one falls for the misinformation that the gentleman has given the committee, because EPA does not have any authority to make grants or to make loans to remove deteriorating asbestos.

Mr. ERLENBORN. I am going to say to my chairman that I will resist the impulse to demand that the gentleman's words be taken down. I am not going to do that. No one is giving any misinformation.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New Jersey (Mr. MAGUIRE).

Mr. MAGUIRE. Mr. Chairman, I want to congratulate the committee on its action in this very important matter. Asbestos was one of the first clear examples of the development of scientific data which proved conclusively a relationship between an environmental hazard and cancer, in this case, lung cancer and mesothelioma, a cancer of the lining of the lung. The hazard was first discovered among workers in asbestos-related industry, but recently investigators discovered that our Nation's school population may be at risk because asbestos is also present in school buildings in many parts of the country.

The scientific data show that exposure to ambient asbestos fibers, fibers present in the air is the most serious kind of hazard, and that cancers will appear in persons so exposed in 10 or 20 years—sometimes before that and sometimes after that. In New Jersey, in my own State, we found a number of schools where asbestos had been sprayed on walls and ceilings. We were greatly concerned about it. There was a tremendous additional problem of providing proper information to the school administrators and also of encouraging school districts throughout the State to check to see whether they had asbestos materials in their schools and whether, if they did, those materials could get into the air.

We found that we did not have enough information about what to do once we found that the problem was present. With the help of the National Institute of Environmental Health Sciences, under Dr. David Rall, and the help of the Mt. Sinai Center for Environmental Studies, under Dr. Irving Selikoff, we developed a grant proposal which was funded by NEIHS. This put the Mt. Sinai experts into the field with contractors who then experimented with various ways of treating the asbestos in the various conditions they found in three New Jersey schools. They issued a report that has provided guidance for those who do have a problem as to the most effective, efficient, and least costly way to treat the problem.

But, we know that this condition exists in many States and many schools all over the country. Schools are hard-pressed with their funding locally. The Goodling substitute takes money out of existing Federal appropriations for education. Given the critical nature of this problem it makes sense for us to lend localities the money so that they will have the incentive to do the detection rather than simply closing their eyes to the problem and hoping it will somehow go away, without a Federal funding source, school districts are not likely to be stimulated to find out if there is a problem under this bill, they will be able to get the funding on a temporary basis, which they will have to pay back. They can then protect these children and the employees who are working day in and day out in their schools.

If we act now to prevent these unnecessary assaults on young people, it will pay us back in dollars many times over, in health costs that will not have to be assumed by the taxpayers, and we will have healthier and more productive citizens.

So, I commend the committee on the work that it has done on this bill. I commend Mr. ERDAHL for his comments about the substance of the bill. I hope

that we can combine behind an approach such as this.

Mr. ERDAHL. Mr. Chairman, I yield myself 3 minutes for closing comments.

Mr. Chairman, I think several points need to be stressed here. One is the obvious need we have in this country for dealing with a very serious health problem. Just how widespread that problem is, I do not think we know. I would guess it is found in every State and many communities, because it does affect schools that were constructed basically between 1946 and 1972, and probably other remodeling jobs that occurred during that period, when material containing asbestos was widely used as fire retardant and acoustical material. There is no argument about the need to deal with the problem, but there is an argument about how best we should deal with it and how best we should be able to find it.

As I said earlier, a real pressure is on this Congress. It comes from our own Members; it comes from the White House; it comes from the Federal agencies, as far as the expenditure of funds. Our distinguished chairman was well aware of that because he was one of the people leading the fight to counter the assault on the school lunch program which has been one of the well-established programs for a long time. There are assaults on other Federal programs. The fiscal year 1981 budget submitted this month by HEW to the OMB shows a real loss of $900 million for education programs when compared to the fiscal year 1980 budget.

I think this underscores the danger we face in trying to start a new program. Also, while H.R. 3282 is admitted by all to be a needed bill, we have no guarantee that it will provide the immediate remedies. Although a bill has been introduced in the other body, to my knowledge no hearing has been held; and if we get beyond May 15 of next year, then we have the real possibility that we will never commit funds until fiscal year 1982, which really deals with the academic year of 1982–83. So, I think there are some persuasive reasons why the Goodling amendment is a workable alternative, and I would hope the majority of this body could support it.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. PERKINS. Mr. Chairman, I yield the remainder of my time to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, first of all I would certainly like to thank the chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS) for his help in drafting this legislation and in convening hearings on a timely basis so that the Congress could attempt to respond to a problem concerning the health and welfare of young children in many of this Nation's schools. This legislation, as is reported from committee, as Chairman PERKINS outlined, is a very limited attempt, a very restricted attempt, to try to remove serious asbestos hazards which pose a very imminent health hazard to young children in our Nation's schools.

□ 1510

This bill is not an attempt to remove all asbestos from every schoolroom, but only in those conditions where it poses a very serious, imminent threat to the employees and to the children in those school buildings. We must remember that none of this money for the removal of asbestos is available unless an applicant can make a showing that a serious health hazard in fact exists to the children in that particular school.

I think two things become very, very clear. Nobody suggests that the problem is not real, and nobody suggests that the hazard is not imminent in those cases where asbestos is in advanced stages of deterioration. The medical community and the scientific community testified before the Education and Labor Committee. Respected physicians and scientists made it very clear there is no such thing as a safe level of inhalation of asbestos. Especially in terms of young children, the hazard is even greater because of their accelerated respiratory rate, because of the rapid multiplication of their cells, because of the long time which they spend in these schools and because of their activities. As a result of asbestos inhalation, they become a population that is at risk.

Given that as the problem, the question is: How will this Congress respond? How will this Congress respond to the danger, now that it has the scientific evidence? How will this Congress respond to the danger, now that it knows of the unanimity in the scientific community as to the hazards if we ignore the asbestos hazard in these particular schools, when we know that this situation may cause us to come on the scene 20 or 30 years from now and find cancer in thousands of young children. Just as we were ignorant, in many cases, during World War II, and we now find that the workers in the shipyards who had no understanding of the problem, and who have now been stricken by lung cancer. The estimates are that as many as 11 million people nationally may be ultimately affected by asbestos induced diseases. Does this Congress really want to set in motion that silent but deadly force with today's schoolchildren in these schools?

The question of solution is, one, whether or not this Congress is prepared to loan up to $100 million to various school districts which have made a showing that the asbestos poses an imminent health hazard, according to rigid scientific standards. Will we loan that money and get on with the solution of a very serious problem, or do we engage in a little bit of a sham, as the proponents of the Goodling amendment would have us do?

There is no disagreement that EPA can make rules, that EPA can write regulations. EPA has already conducted a voluntary survey of the problem, which is a dismal failure. A little over 1 percent of school districts have responded to that survey. So EPA is now considering a mandatory program for which they have no greater expectaton of success because many of the schools tell them that the money is still not available for purposes of removal. So the hazard will continue in these schools with these children if we do not pass this bill, and also if we vote for the misleading Goodling substitute.

Now we are offered a substitute, which I hope the House will reject, because what the substitute says is, "Look, use some of your Federal money, which was given to you for your vocational education, which was given to you for education for the handicapped, for education for the poor children, and if you have some money left over"—and yet I do not know a school district in the country that does—"you can use that to remove asbestos."

The gentleman from Minnesota just testified to substantial cuts in the real education dollars in the President's upcoming budget in 1981. We know that inflation has caused real cutbacks in education of 8 or 9 percent a year. So now we are telling these districts, "Go ahead and take it out of the money you already do not have." That is not going to remove asbestos from a single schoolroom, from a single lunchroom, a hall room, or anything else. The question is: Will we help these districts, or will we hold out mirrors and blow smoke, as somebody once wrote about this House, in the appearance of doing something?

The only way this Congress is going to really help solve this problem is by providing these loans and providing the detection moneys. Otherwise we set in motion bitter battles between the educational and health communities. It is not a question of prioritizing when we are choosing between poor people, against handicapped children, against the libraries—all of these programs that our committee constantly hears are already underfunded.

In fact, the Goodling substitute is no remedy at all. It gives a few people an opportunity to say that they voted for the program because they were terribly concerned about the children. In fact, what they voted for is a fraud, because the amendment suggests that Federal moneys are forthcoming. In fact, those Federal moneys are already allocated. This Congress has deliberated on education programs and this Congress has authorized funds for specific programs, which we expect to be spent in that fashion.

Now the supporters of the Goodling substitute want to come along after the fact and tell them that the money must be used for something else, which nobody has anticipated. I think their purpose is to misrepresent this Congress's true concern. So when this bill comes to the House for amendments, I would hope that the Members would reject the Goodling amendment because it does not offer a solution.

If you are in one of the many States which has a serious asbestos problem, do not kid yourselves into thinking that your local education authorities are going to be happy just because you voted for the Goodling bill. They are far too sophisticated for that. Do not think that people who recognize a health hazard are going to believe that you did something positive because you make no money

available under that approach. So I hope the Members of this House, when the bill comes to the floor would reject the Goodling amendment, and support the bill. The bill is a restricted and limited effort to try to benefit a number of school districts which contain deteriorating asbestos materials which pose an imminent hazard to the health and safety of children. There is no disagreement about the existence of this hazard from the scientific or medical community. Both the minority and the majority sides recognize the problem.

With that, Mr. Chairman, I would hope that the Goodling substitute would be rejected. We will have additional reasons. I think we can clearly show that the Goodling substitute has no relationship to the problem, and will not result in the removal of any asbestos from any school.

California does not have a serious asbestos problem, but we certainly have an awful lot of title I money and ESEA general money. How does that help a school in Pennsylvania? How does that help a school in Minnesota? How does that help a school in New York? We do not have a significant asbestos problem because our schools in many cases are of a different type of construction. So I want to know what relationship your handicapped community has to asbestos, and I want the gentleman from Pennsylvania (Mr. GOODLING) to tell us what relationship title I money has to asbestos, and what relationship library money has to asbestos?

I submit, Mr. Chairman, it has no relationship, and that the Goodling solution is, in fact, no solution at all.

Mr. Chairman, I yield back the remainder of my time.

Mr. PERKINS. Mr. Chairman, we have no further requests for time.

Does the minority have any further requests for time?

The CHAIRMAN. The minority has yielded back its time.

Mr. PERKINS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore (Mr. VENTO) having assumed the chair, Mr. BENJAMIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3282) to establish a program for the inspection of schools to detect the presence of hazardous asbestos materials, to provide loans to local educational agencies to contain or remove hazardous asbestos materials from schools and to replace such materials with other suitable building materials, and for other purposes, had come to no resolution thereon.

ADDRESS OF POPE JOHN PAUL II TO THE ROMAN CATHOLIC COMMUNITY AT ANKARA, TURKEY, NOVEMBER 29, 1979

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

● Mr. BRADEMAS. Mr. Speaker, on November 29, 1979, His Holiness, Pope John Paul II, delivered a significant address in his first meeting with Roman Catholic communities in Turkey.

Because of the fact that Pope John Paul II spoke in a country that is almost totally Moslem, with a Christian population of less than 1 percent, I think it significant that the Pope discussed some of the teachings of the religion of Islam.

Mr. Speaker, I include at this point in the RECORD a translation of the French text of the address of Pope John Paul II on this occasion:

Dear brothers and sons,

Dear friends,

1. It is an immense joy for me, successor of St. Peter in the apostolic college and in the See of Rome, to address you today with the same words that St. Peter addressed 19 centuries ago to the Christians who formed then, as they do today, a minority in this land, "strangers scattered throughout Pontus, Galatia, Cappadocia . . .: Grace and peace be yours in abundance" (*1 Pet. 1:1, 2*).

Like Peter, I would like first of all to give thanks for the living hope that is in you and that comes from the risen Christ. I would like to exhort each of you to be thankful to God and firm in the faith like "obedient children," keeping your souls pure in obedience to the truth, in a sincere brotherhood with good conduct in the midst of nations . . . so that, seeing your good works, men may glorify God (*Cf. Ibid. 1:3, 14, 22; 2:12*).

The apostle even took care to mention loyalty toward the civil authorities. "Live then," he said, "as free men, not as men who use your freedom as a cloak for vice, but as servants of God" (*1 Pet. 2:16*).

Yes, I would like to invite you to consider as particularly yours this letter written to those who preceded you on this land, to reread it attentively, to meditate upon each of its affirmations. I now draw your attention to one of its exhortations: "Should anyone ask you the reason for this hope of yours, be ever ready to reply, but speak gently and respectfully, in possession of a good conscience" (*Ibid. 3:15–16*).

GOLDEN RULE

These words are the golden rule for the relations and contacts that the Christian must have with his fellow citizens who have a different faith. Today, for you Christians living here in Turkey, your lot is to live in the framework of a modern state—which provides for everyone the free expression of his faith without identifying itself with any—and with persons who, in their great majority, while not sharing the Christian faith, declare themselves to be "obedient toward God," "submissive to God," and even "servants of God," according to their own words, which match those of St. Peter already quoted (*Cf. Ibid. 2, 16*). They have, therefore, like you, the faith of Abraham in the only all-powerful and merciful God. You know that the Second Vatican Council pronounced explicitly on this subject, and I myself recalled in my first encyclical, "Redemptor Hominis," that "the council . . . expressed its esteem for the believers of Islam whose faith also refers to Abraham" (*n 11*).

Allow me to recall here before you these words of the conciliar declaration, "Nostra Aetate": "Upon the Moslems, too, the church looks with esteem. They adore (*'with us' we read in another text of the council, the Constitution 'Lumen Gentium,' n. 16*) one God, living and enduring, merciful and all-powerful, maker of heaven and earth, who has spoken to men. They strive to submit wholeheartedly even to his inscrutable decrees, just as did Abraham, with whom the Islamic faith is pleased to associate itself. Though they do not acknowledge Jesus as God, they revere him as a prophet. They also honor Mary, his virgin mother; at times they call on her, too, with devotion. In addition they await the day of judgment when God will give each man his due after raising him up. Consequently, they prize the moral life and give worship to God especially through prayer, almsgiving, and fasting" (*Declaration "Nostra Aetate," n. 3*).

It is therefore in thinking of your fellow citizens, but also of the vast Islamic world, that I express anew today the esteem of the Catholic Church for these religious values.

DEVELOP SPIRITUAL BONDS

3. My brothers, when I think of this spiritual patrimony and of the value it has for man and for society, of its capacity to offer, especially to the young, a direction to life, to fill the void left by materialism, to give a sure foundation to social and juridical organization, I wonder whether it is not urgent, precisely today when Christians and Moslems have entered a new period of history, to recognize and develop the spiritual bonds which unite us in order to "safeguard and foster, on behalf of all mankind—as the council invites us to do—social justice, moral values, peace and freedom" (*Declaration "Nostra Aetate," Ibid.*).

Faith in God, which the spiritual descendants of Abraham, Christians, Moslems and Jews, profess, when it is lived sincerely so that it penetrates life, is an assured foundation of the dignity, the brotherhood and the freedom of men and a principle of rectitude for moral conduct and life in society. And there is more: as a consequence of this faith in God the transcendent Creator, man finds himself at the summit of creation. He has been created, the Bible teaches, "in the image and likeness of God" (*Gen. 1,27*). For the Koran, the sacred book of Moslems, although man is made from dust, "God has breathed into him his spirit and endowed him with hearing, sight and heart," and that is with intelligence (*Sourate 32,8*).

For the Moslem the universe is destined to be submitted to man inasmuch as he is a representative of God; the Bible affirms that God ordered man to subdue the earth, but also to "cultivate and care for it" (*Gen. 2,15*). Insofar as he is a creature of God, man has rights which may not be violated, but he is also bound by the law of good and evil which is based on the order established by God. Thanks to this law, man will never submit to any idol. The Christian abides by the solemn commandment: "You shall not have any other God but me" (*Ex. 20,30*). For his part, the Moslem will always say: "God is the greatest."

I would like to take advantage of this meeting and of the opportunity which the words written by St. Peter to your predecessors give me to invite you to consider each day the profound roots of the faith in God in whom your Moslem fellow citizens also believe, to draw from it the principle of a collaboration with a view to the progress of man, to emulation in welldoing, to the extension of peace and brotherhood in the free profession of the faith proper to each.

4. This attitude, dear brothers and sisters, is in exact correspondence with the already very meritorious fidelity of your Christian communities represented here. This fidelity is the heir of a great past. We have already spoken of the letter of St. Peter. One could dwell on the loving kindness of St. Paul, of St. John for the churches of Asia Minor. A secular author at the beginning of the second century, Pliny the Younger, described the life of the disciples of Christ with astonishment in a testimony which remains precious in the eyes of history. But how could the flourishing period which followed the forgotten, and particularly the time of the fathers of the Church?

And since St. Peter speaks of Cappadocia, I think spontaneously of St. Basil the Great (329–379), one of the most remarkable Glories of the church of this region, all the more because this year is the 16th centenary of his death: I am happy to announce to you that a pontifical document, elucidating the figure of this great doctor will crown this memorable anniversary.

TESTIMONY OF BROTHERHOOD

5. Today, even if your communities are unobtrusive, they are rich in the presence of various traditions and they are constituted by persons coming from many parts of the world. That gives you the opportunity to express to one another your faith and your hope, and to give here an important testimony of unity and brotherhood.

Always have the courage and the pride of your faith. Deepen it. Ceaselessly approach Christ, the cornerstone, like living stones, sure of winning the goal of your faith, the salvation of your souls. Henceforth the Lord Jesus makes you members of his body; children of God, he makes you participate in his divine nature, he gives you a share in his spirit. Draw with joy from the gushing source which is the Eucharist. May he fill you with his charity! Feel also that you are in communion with the universal church which the pope represents before you in his humble person. Your witness is so much the more precious because it is limited in number, but not in its quality.

For myself, I want to tell you my profound affection and my confidence. Let us remain closely united by the bond of prayer. I recommend to Christ Jesus, and to his most holy mother, all the human and spiritual needs of your communities, of each of your families. I have a special thought for your children, your sick, those who are afflicted. May they be comforted by the love of God and the mutual aid of their brothers! With all my heart I bless you in the name of the Father, of the Son, and of the Holy Ghost.

"RELIGIOUS CURRENTS IN THE ARAB-ISRAEL CONFLICT," AN ADDRESS BY CONGRESSMAN JOHN BRADEMAS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WRIGHT. Mr. Speaker, our colleague, the distinguished majority whip of the House, the Honorable JOHN BRADEMAS, of Indiana, on December 1, 1979, delivered the keynote address at a conference, held at the University of Notre Dame, on the subject of "Religious Currents in the Arab-Israel Conflict."

The conference was sponsored by the university and by American Professors for Peace in the Middle East.

Mr. Speaker, because I believe that Members of Congress will read with interest Mr. BRADEMAS' thoughtful address on this occasion, I insert it at this point in the RECORD:

RELIGIOUS CURRENTS IN THE ARAB-ISRAEL CONFLICT

(Address by Congressman JOHN BRADEMAS)

I count it a great honor to have been invited to take part in this conference, and I want to commend Professor Alan Dowty for his leadership in organizing it and the University of Notre Dame and American Professors for Peace in the Middle East for sponsoring it.

As you know, there are 435 members of the United States House of Representatives, and each of us is understandably proud of the district he or she represents. I, nonetheless, persist in counting myself particularly blessed in that I am the only Member of Congress who can say that he represents the district where the University of Notre Dame is located.

And I make that statement despite this year's football season!

For Notre Dame, as those of you who are not natives of this area are aware, is not only a national institution but, under the extraordinary leadership of our community's most distinguished citizen, Father Theodore Hesburgh, Notre Dame has become known throughout the world as an outstanding center of teaching and learning.

NOTRE DAME'S COMMITMENT

It is, therefore, altogether fitting and proper that Notre Dame, an institution committed to the flowering of the human spirit as well as the enrichment of the human mind, should be the setting for a gathering like this.

Here we—Christians, Jews, Muslims, and others—meet on a university campus in Northern Indiana to discuss one of the most difficult but consequential problems facing humankind today—the continuing conflict between Arabs and Israelis in the Middle East.

But we hold our talks under the Golden Dome of Our Lady with a special eye to the religious dimensions of the differences that divide these two peoples.

And who would have predicted when this conference was first arranged that we should be meeting at a time when the Middle East—and the forces of religion there—should be on the front pages of every newspaper every night and the leadoff dispatch on every radio and television newscast every day of the week?

Before I plunge into a consideration of some aspects of the subject of our conference, I should like, if I may, to make some observations I believe necessary to what I have to say.

For I think that my own life and experience are not unrelated to the reason we are here.

I speak as a Christian, a Protestant, a Methodist.

My Hoosier mother is also a Protestant but a member of the Disciples of Christ Church, while my late father, born in the Peloponnesian town of Kalamata whence he migrated to this country sixty-five years ago, was Greek Orthodox.

I speak as well as one who grew up in the shadow of Notre Dame and who, for a time between elections, taught across the road at St. Mary's College.

Let me say further, as one who for the last twenty-five years has been directly engaged in public life, most of that time as an elected member of the Congress of the United States, that what provoked some of my first political stirrings as a schoolboy at James Madison School in South Bend were the radio broadcasts we heard of the speeches of Adolf Hitler. I can remember still the dramatic, staccato voice of H. V. Kaltenborn reporting those speeches from Germany.

SECURITY FOR ISRAEL

And nothing shook me more profoundly in those incredible days, days of my own childhood, than the news of what Hitler was doing to the Jews.

All those memories rushed back to me when, last summer, I visited the death camps of Auschwitz and Birkenau.

And so like many Christian Americans of my generation, I came to be a strong supporter of the creation of a secure homeland for the Jewish people in Israel—and I still am.

Over ten years ago, I led a delegation of Members of the House Committee on Education and Labor to visit Israel for the purpose of seeing the moshavim, the kibbutzim, the child daycare centers, schools, colleges and universities of that remarkable land—and I was in Jerusalem again last May to give a lecture at the Hebrew University.

No Christian, I venture to say, can see and touch and smell and walk in places like Bethlehem and Galilee and Nazareth without experiencing the deepest emotional feelings.

Beyond what I have just said to you by way of explaining some of the reasons for the affinity that links many American Christians to Israel, there are at least three others.

Israel is a feisty, vigorous, flourishing democracy and so is the United States. The two peoples have a common commitment to individual freedoms and popular self-government.

There is a second reason that Christians feel so close to Jews. Every Sunday in every church in America, we read not only from the New Testament but the Old.

And I need hardly here remind you that the person in whom Christians see God most perfectly revealed was a Jew.

Moreover, to offer yet a third explanation of the closeness that many Christians in our country feel toward Jews: in nearly every community in the United States, Jews and Christians work together—for the United Way, in the NCCJ, for civil rights, in nearly every kind of activity aimed at civic and human betterment.

I do not mean here to paint a sentimental picture. Obviously, there have been tensions and disputes between Christians and Jews even as there are dark strands in our history in the relationship between Protestants and Roman Catholics. You must remember that the state of Indiana was once an outpost of the Ku Klux Klan.

I recall my own father's telling me that, as a Greek immigrant, he found his restaurant, then located not far from where we meet, boycotted because he was not a wasp. And I remember, too, that my father saw Notre Dame students fighting in the streets of South Bend with Klansmen.

But I am making a different point. I am saying that woven into the fabric of our national life are the most intimate relationships between those of us who are Christians and Americans who are "People of the Book."

THE RELIGION OF ISLAM

Yet it must be obvious to us all that there is no such history or experience in our country with the religion of Islam and with those who call themselves Muslims.

We do not read the Koran during our religious services on Sunday.

There is no Islamic counterpart in American towns and cities of B'nai Brith or Hadassah.

If many Christian Americans have been in a synagogue or temple, almost none has set foot inside a mosque.

In the House of Representatives, we do no legislative business on Passover or Yom Kippur anymore than we would on Good Friday. But we take no cognizance of the Holy Days of Islam, Muharran or Ashura.

In our school days, we may have known Lebanese or Syrian children, but they were Christians or Jews.

And though we may have been well acquired with the map of Western Europe, Latin America or Japan, few among us, unless he or she took college courses on the Middle East, could have told you just where Syria and Iraq began or where Saudi Arabia and Jordan commenced.

And then, I should like to suggest, about six years ago, Americans—and I speak here of university educated, politically sophisticated Americans as well as those who may not pay so much attention to these maters—began to pay attention, serious attention, to that rather mysterious part of the world we call the Middle East.

POLITICAL IMPACT OF OIL

And the reason, of course, was oil.

The Arab oil boycott of 1973–74 began to bring home to Americans the immense impact on our daily lives of actions taken by people of whose religion and culture and politics we were so generally ignorant.

Events in succeeding years have caused Americans to realize that the day of our isolation from the Middle East is, whether we like it or not, over.

For we now know that, whether we like it or not, what happens there affects in the most direct and daily way how we live here.

The conflict between Israel and the Arab states is, of course, together with oil, the other great factor that commands us to heed the Middle East.

That conflict is ongoing and its twists and turns and ups and downs are not easy to follow, even for those of us whose vocation is politics.

Even as the Mayors of Nablus and of some twenty other Arab municipalities on the West Bank resigned last month to protest certain actions of the Israeli Government, that same government, in compliance with the Camp David Accord, has just returned to Egypt oil wells in the Sinai that supplied twenty percent of Israel's energy needs.

Even as most thoughtful Americans believe it imperative that there be justice for the Palestinian people, many of these same Americans are unwilling to accept as an instrument to achieve that goal an organization committed to the destruction of Israel.

And almost unnoticed in the struggle between Israel and the Arab states is the dreadful war in Lebanon, with Jordan and Syria, Israel and the PLO all contributing, justly or unjustly, to laying waste this small nation of intelligent, resourceful, diligent people.

THE CRISIS IN IRAN

And, of course, perhaps most difficult for those in the Hebrew-Christian West to understand in all the tortured history of the Middle East is the tragedy through which we are now living in Iran:

A tyrannical Shah, deposed and exiled, after years of support by American administrations of both political parties;

An equally tyrannical, if radically different, Ayatollah, bitterly hostile to the United States and to all that western culture represents;

The seizure of American citizens at an American embassy and a defiant insistence that only with the Shah's return will the hostages be released—

These events taken together are like an ever more dangerous minefield . . . for the United States, for Iran and potentially for other nations of the world.

As I thought about what I might say to you tonight, I realized that yesterday marked Ashura, the day on which Shi'ite Muslims observe the martyrdom fourteen hundreds years ago of Hussein, grandson of the Prophet Muhammad, and that tomorrow is the day of elections in Iran. I realized as well what limited knowledge we Americans have of what is happening there and, indeed, what is happening in the wider world of Islam.

There are, after all, some 800 million people on this planet who are Muslims.

We are only now beginning to realize that they are not all of the same temperament or conviction any more than are all Christians or all Jews.

We are learning that the differences between the Sunni majority and Shi'ite minority are deep and significant.

Last Tuesday, the leaders of Congress met with President Carter at the White House to discuss the crisis in Iran and now, every afternoon at four o'clock, Secretary Vance or Undersecretary Warren Christopher comes to Capitol Hill to brief the Speaker, the Minority Leader and the other Members of the House Leadership on the latest developments.

ISLAMIC STUDIES LACKING

As we discussed the situation in Tehran, I wondered how well equipped we were as a Nation to understand the roots of our troubles there and, more broadly still, the revival of Islam that appears to be sweeping across a wide arc of nations from Egypt to Pakistan.

So I began to ask some questions about the state of Islamic studies in the United States.

I found that there are currently eleven centers of Middle Eastern studies in this country, one of them, soon to be closed, at Indiana University.

There are, including these eleven centers some 25 colleges and universities in the entire country that offer Middle East studies programs. Beyond these 25, three or four theological seminaries have Islamic programs but there is only one college in the United States with a comprehensive "Muslim World" program—Ricker College in Houlton, Maine.

The total number of students in Middle East centers and college programs throughout the United States is no more than 2,000.

Of the 25 colleges with Middle East programs, most offer Judaic rather than Islamic studies and in the latter group, most courses deal with anthropology, social history or literature; few with the Islamic religion.

Another leading scholar, at Harvard, reminded me that Islamic studies cover a wide geographical area, including not only Iran and the Arab states but the Philippines and Indonesia, sub-Saharan Africa, Spain and Turkey as well. He might have added the Soviet Union!

Although, he said, there may be several hundred persons in Iranian studies in the United States today, those who could be called "Persian specialists", knowledgeable in the language, history, culture and society are, he said, "far, far smaller" in number.

Another Middle East scholar, from Columbia University, bewailed the great scarcity of Iranian specialists at the Department of State and asserted that from the time major troubles in Iran began last year, it was "ages" before the State Department believed that the religious dimensions of the Iranian situation was significant.

Nor have we sufficient specialized knowledge, he said, to deal with other potential danger spots such as Turkey with the Kurds; the Sudan and Somalia.

INTERNATIONAL EDUCATION ACT

As I listened to these comments, I knew that I had heard it all before for my mind returned to a time, nearly fifteen years ago, when I had labored hard, as Chairman of a special Congressional Task Force, to write into law what came to be known as the International Education Act of 1966.

That law authorized Federal grants to colleges and universities in the United States—it was not a foreign aid bill—to support studies and research at both the undergraduate and graduate level in international affairs. The funds could be used for either area studies or to focus on specific issues, or combinations of both.

And a key thrust of the International Education Act, signed into law by President Lyndon Johnson while flying over Thailand, was to enhance our knowledge and understanding of the non-western world.

I remember still how the great Harvard Sinologist, John King Fairbank, once declared that when the Vietnam war began, there were no more than half a dozen senior scholars in the United States who knew the language, culture, and history of the nation that became the locus of one of the great tragedies of American history.

And what became of the International Education Act?

For reasons pointless here to recount, Congress never appropriated one penny for it.

Partly as a result of this failure, we have seen in recent years a sad decline in international studies, including foreign languages, at American schools, colleges and universities, and our nation is the weaker for it.

Listen to these facts:

Only 15% of American high school students now study a foreign language—down from 24% in 1965.

Only 1 of 20 public high school students studies French, German or Russian beyond the second year; four years are generally considered a minimal prerequisite for usable language competence.

Only 8% of American colleges and universities now require a foreign language for admission, compared with 34% in 1966.

There are an estimated 10,000 English speaking Japanese business representatives on assignment in the United States. By contrast, there are fewer than 900 American counterparts in Japan—and only a handful of these have a working knowledge of Japanese.

SUBJECTS ARE FOREIGN

The figures I have cited come from the so-called Perkins Report, the result of a year-long study released in October by the President's Commission on Foreign Language and International Studies.

The Commission, under the chairmanship of James Perkins, former President of Cornell, conducted lengthy hearings and received testimony from over a thousand persons. The Commission's conclusion: "We are profoundly alarmed by what we have found."

Beyond the statistical danger signs I have already mentioned, the Commission found other reasons for apprehension:

Over 40% of 12th graders in a recent survey, for example were unable to place Egypt correctly while over 20% of those students were equally ignorant about the location of France or China.

Only 5% of prospective teachers take even a single course relating to international affairs or foreign peoples and cultures as part of their professional preparation.

Federally financed foreign language and area studies fellowships fell from a peak of 2557 in 1969 to 828 in 1978.

American participation in exchange programs is declining at a time when other nations are expanding their efforts. A recent General Accounting Office study found that, compared to both allies and potential adversaries, American investment in exchange programs is proportionately the lowest of any of the countries surveyed.

It was this rather sorry record that led the Perkins Commission to call for an increased commitment to foreign language studies and international education on the part of the Federal government, state and local governments and the private sector.

And it was this same record that led a number of us in Congress—including Speaker O'Neill—to write to President Carter and Secretary of State Vance urging that there be included in the President's budget recommendations for Fiscal 1981 30 to 40 million dollars under Title VI of the National Defense Education Act. This Title supports foreign language and area studies fellowships, research, summer intensive language courses and undergraduate and graduate field programs.

In the current year, by way of contrast, we are investing only $14 million to support these activities.

STRENGTHENING OUR KNOWLEDGE

Now President Carter has, quite rightly, in my view, called on the American people to respond to the crisis in Iran with increased efforts at conservation of energy and has insisted that Congress pass a substantial tax on the windfall profits of the oil industry.

Even as we seek to make better use of our

energy resources, so too must we strengthen our resources of knowledge.

The tragedy unfolding in Iran should spur us to invest substantially more in studying those cultures and peoples of the rest of this planet, especially of the non-Western world, more particularly still, the world of Islam.

So this is the first lesson I draw from the religious currents that have shaped and continue to shape the Middle East: We in the West must study harder and we must learn more about other peoples and other cultures.

But there is one more lesson that I would leave with you at this conference of outstanding scholars of and from three major world religions.

It is the lesson that three men of deep religious faith taught the world 15 months ago in meetings in the Catoctin Mountains of Maryland.

It is the lesson of Camp David—and the teachers were a Moslem, a Jew and a Christian—Anwar Sadat, Menachem Begin and Jimmy Carter.

FOUNDATIONS FOR PEACE

As a practicing and, I hope, extant, politician, I am not unaware that each of these political leaders, because of his actions or inactions on one or another issue, foreign or domestic, is a figure of considerable controversy.

But what bound them all together at Camp David was a common conviction that a durable peace could be built between Egypt and Israel, and they laid the foundations for that peace.

On issues that appeared to be irreconcilable, these three men showed that agreements were possible.

I take a lesson for our meeting here at Notre Dame from what they did at Camp David. It is that the diversity of their religious convictions did not impede their efforts. Anwar Sadat, Menachem Begin and Jimmy Carter were able to make progress because all three were motivated by a commitment to certain values common to each of their religious traditions.

Only this week in Turkey, Pope John Paul II stressed the positive values of the teachings of Islam, and chief among them, he said, was "the faith of Abraham in the only all-powerful and merciful God".

Now I respectfully suggest to you that as we look to the issues that divide people against people, nation against nation, Jew against Arab in the Middle East, we must, in the final analysis, if we are to contribute to the construction of an edifice of peace in that region, be inspired by the theme of which the Holy Father spoke in Ankara this week.

"Faith in God," he said, "which the spiritual descendants of Abraham—Christians, Moslems and Jews—profess, when it is lived sincerely so that it penetrates life, is an assured foundation of the dignity, the brotherhood and the freedom of men and a principle of rectitude for moral conduct and life in society. . . ."

Let us then seek to know one another better and to learn more about each other.

And let us above all respect one another, including respect for that which divides us, for we shall be moved by what is common to the faiths of us all, whether we are followers of Jesus, Moses, or Muhammad.

ADMINISTRATION SHOULD ESTABLISH OFFICE OF COORDINATION FOR AID TO KAMPUCHEA

(Mr. MILLER of California, without objection, was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, although the attention of the world community has been focused in recent weeks on the continuing crisis in Tehran, the starvation in Kampuchea also goes on. Within recent weeks, significant amounts of food and medical supplies have been sent to Bangkok and directly to Kampuchea through various international relief agencies. A substantial amount of American financial assistance has been extended to these organizations to support the relief effort.

I would like to take a minute, however, to direct the attention of the House to one area in which we are not doing as much to aid these starving people as we may. I am referring to the lack of a coordinated effort by the Government to collect food, medical supplies, and other items donated by the people of the United States, and to send them expeditiously to Thailand and Kampuchea.

Over the past several weeks, I have been working with a group of people in southern California who have gathered nearly $2 million in essential supplies which have been donated by generous Americans to aid the Southeast Asian refugees. A seemingly endless series of financial, bureaucratic and administrative roadblocks delayed the shipment of this UNICEF-approved relief from leaving Los Angeles, even though that city is a major departure point for government flights to southeast Asia.

The irony is that a great deal of our money is being spent on the relief effort. Our aid package now totals some $105 million in new and reprogramed money including $25 million under food for peace and about $50 million is disaster relief.

Much of this money goes to international relief agencies which use it to purchase supplies, sometimes on the open market, for use in Kampuchea. Transportation costs of these supplies may be much higher from European sites than from our own country.

Thus, it seems to me that a portion of the relief funds approved by the Congress ought to be reserved for the movement of supplies directly from the United States to relief operations in Southeast Asia. It would be far more cost effective to spend funds merely on transportation, while availing ourselves of donated goods provided through the good will of the American people, than to spend limited funds to purchase these same goods.

I recognize that the backbone of the effort will remain with the international relief agencies. But we should not, while supporting that effort, turn our backs on our own citizens, and snub their donations of good will. I would hope that other Members will join with me in urging the administration to establish, without delay, an office to coordinate the identification of donated supplies for Indochina, methods for gathering these donated supplies at specified central locations, and the ultimate movement of these supplies to relief agencies in Asia.

I will be circulating a "Dear Colleague" letter urging the administration to take this step to expedite our participation in the relief effort, and I urge other Members to join in signing this letter to the President.

□ 1520

TWO HOUSE RESOLUTIONS CONCERNING IRANIAN DIPLOMATS AND IRANIAN NATIONALS IN THE UNITED STATES—NOVEMBER 30, 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. COURTER) is recognized for 10 minutes.

● Mr. COURTER. Mr. Speaker, the United States has a long tradition of welcoming foreign visitors to pursue their professional and personal ambitions. Once here, many of them enjoy liberties that are nonexistent in their own lands. However, when our "welcome" is turned into a "welcome mat" by some of these visitors, I feel that the Congress and the courts should give a fitting response to this type of misbehavior.

Today I am introducing two House resolutions expressing the sense of the Congress that the executive branch should act against those Iranian nationals and diplomats who willfully violate American laws.

The first resolution urges the Secretary of State to expel any diplomat, accredited to the United States, who deliberately advocates, incites or participates in actions which violate Federal or local laws that are designed to insure the public safety, such diplomats do a disservice to both our Nation and the one they represent.

The second resolution, in response to recent actions by pro-Khomeini Iranian nationals here, urges the Attorney General to expel as expeditiously as possible any alien convicted of a deportable offense with special regard to acts of physical harm and destruction of property.

None of these measures will deny any alien due process of the law. I hope my colleagues will join me in these initiatives.●

LASKER AWARDS CEREMONY 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, each year amid the beautiful surroundings of the St. Regis Hotel roof, the Albert and Mary Lasker Foundation, which has done so much for humanity through its programs for the stimulation of medical research and the application of medical knowledge, as well as the stimulation of the effort of public leaders in aid of such objectives, the Albert and Mary Lasker Foundation presents the Albert Lasker Medical Research Awards luncheon. At this luncheon, the recommendation of the awards are presented and, on occasion, the awards jury also recommends a distinguished figure for his or her public service in advancing medical knowledge and service to humanity. On such occasions, there is always an outstanding speaker to make appropriate remarks pertaining to the expansion and the implementation of medical knowledge and providing greater and more meaningful health care to the people of our Nation, indeed, of the world.

This year at the luncheon on November 16, the speaker of the occasion was the Honorable ALAN CRANSTON, U.S. Senator from California and majority whip of the Senate. Senator CRANSTON stimulated those present by his grasp of the problem of providing medical care for the people and for appreciation of one of the phenomena of our time, the increasing age of the population of our people and all that attends that significant change. Senator CRANSTON presented a scholarly dissertation and did it in a very engaging manner so that his address was warmly received by the distinguished audience present.

I should like to share with my colleagues in the Congress and the people of our country this eloquent address of Senator CRANSTON's, and I include in the RECORD following these remarks.

LASKER AWARDS CEREMONY 1979

(Speech by Senator ALAN CRANSTON)

The Old Testament speaks of the years of human life as three score and ten. But when the scriptures were written, average life expectancy was only 18 years. Much later, at the peak of the Roman Empire, life expectancy was about 22. By Shakespeare's time, the average had crept up to 35 years.

Obviously, everyone in those days did not die that young. Life expectancy is simply an average. At all times in history some people have survived to 80 or 90 or even longer. In each generation a handful of strong individuals have come close to living a full and natural life span.

In the past, a larger percentage of people than now died at birth. Deaths used to be more frequent in the young and middle years due to poor nutrition, inadequate sanitation, harsh living conditions and the spread of infectious disease.

This century began with an average life expectancy of 49 years in the United States. Almost overnight—in terms of history—we have aded more than 20 years to life expectancy here, and elsewhere in the world's wealthier nations.

In just the last decade we have added nearly three years more to this average. New figures from the U.S. Public Health Service show deaths from heart disease are down 22 percent since 1969. Deaths from stroke are down 32 percent. Deaths from atherosclerosis and diabetes also are down significantly.

But we still have not changed our inherent life span. Scientists in the relatively new field of gerontology now can estimate what our true life span is, however. Most of them agree that human beings have the biological capacity to live to 100 or more—as some few manage to do even now.

Most people don't live that long because the underlying mechanisms of the aging process make us vulnerable to cancer, heart disease, stroke, senility, diabetes and other degenerative diseases. These afflictions occur much more frequently among the aged. They rob us of the comfort and quality of our advanced years. They render many aging men and women helpless for years. And they shorten our lives.

I am convinced, however, that we are on the verge of major advances in what we know about the biomedical mechanisms of aging.

To understand these mechanisms is to begin to control them. And control of the aging process promises two distinct benefits.

First, by learning how to forstall age changes in the body, physicians will almost surely have a powerful new strategy for preventing disease. And secondly, we will probably learn how to avoid the prolonged deterioration of mind and body which now devastates so many people far short of their full life span.

As a member of the Senate Health and Scientific Research Subcommittee, and as chairman of the Veterans' Affairs Committee, I follow closely our progress in biomedical research. Often I invite research scientists to my office in the Capitol. They have an opportunity to discuss their work in an informal, cross-disciplinary forum. They share new findings with others working in parallel and complementary research.

What I have heard is astonishing to a layman. I suspect many scientists, too, would be surprised to learn how quickly we are assembling pieces to a very fundamental puzzle.

Researchers are probing basic mechanisms at the cellular and molecular level with tools that were unknown and unavailable just a few years ago. They are unravelling the secrets of how and why people age. Already some have successfully delayed and even reversed some aspects of the aging process in laboratory animals.

The field of gerontology for years was considered an unglamorous and unpromising field. To a degree, that attitude persists. But we also are seeing a stirring of great interest among scientists in the basic biology of aging.

The National Institute of Aging in Washington, D.C., reports a quadrupling of research applications over the last three fiscal years.

Researchers across the country are closing in on the disease of aging by pursuing strong leads in immunology, neutral and endocrine mechanisms, genetics, protein synthesis and free radical pathology.

I believe that the question before us is not whether we will learn to intervene in the aging process to our benefit.

The question is: when? For which generation?

Will our generation, perhaps, be the last to die prematurely? Or the first to live to its full potential?

I expect that investigations now under way will pay our society a bonanza in a very few years. There are very real possibilities that we will learn to increase the robustness and vigor of older people, if we use our scientific and fiscal resources wisely.

By extending the potency of human immune systems—to cite just one example—we might be able to stretch the healthy middle years—the prime of life—so that a person can retain that health into his 70s and 80s and beyond.

This particular avenue of research might pay its greatest and most immediate reward in the prevention and treatment of cancer.

Many scientists believe that cancer and aging may be sides of the same coin. Normal cell division maintains all the body's natural repair systems. But as people age, cells divide less efficiently. There is cellular damage and "errors" accumulate in the cell nucleus. When repair mechanisms fail altogether and abnormal cells begin to proliferate, the result is cancer.

Unfolding the mysteries of cellular and molecular changes which underly the aging process almost certainly will yield valuable information, possibly leading to cures for a host of medical problems from cancer to senile dementia, kidney failure and hardening of the arteries to name a few.

In America today, 11 percent of our population—some 23 million people—are over the age of 65. Their numbers grow by a half-million more each year. In the beginning of the next century—which really is not far away—the number and percentage of older Americans will swell dramatically as the baby boom generation approaches 65.

Federal spending for Social Security, health care and pensions for the elderly already are in the multiple billions. We could be in serious trouble by the year 2000. We cannot afford to begin the 21st century with a mushrooming population of dependent old people who are no better able to care for themselves than many who are in nursing homes today.

Make no mistake: our longer-lived population is a triumph and an oppcrtunity for our country.

We have won some important battles against killer diseases and crippling disabilities. But we have some major challenges still ahead. We must surmount them if we are to succeed in enhancing, as well as prolonging, life.

We must plan ahead now for the kind of society we are becoming.

I think it is highly likely that in the next 30 or 40 years there will be major technological breakthroughs that relate to human life span. Breakthroughs may come much sooner. But even if there are none, soon, the number of people over 65 in our country will double in three to four decades.

With the commencement of control of the aging process we will have an even larger population of healthy, active, older Americans.

What will our society then be like? What will the world be like when people live to 100 or more with the capacity to be vigorous and competitive until the very end?

Some will ask: why should we want to have more old people around? Especially when so many elderly today suffer from poverty, dependence, low social status and age prejudice?

What will be the burden of future health care capacity and tax-supported services? What about overpopulation? Jobs for everyone? Living space? Won't our culture stagnate if there are more and more old people and fewer younger citizens?

These are important questions. While it is impossible to project precise solutions into the future, we have some clues within our own century.

The present population of seniors was unanticipated when life expectancy was just 49 years. We have had problems with poverty, inadequate housing, health and nursing care for the elderly. But I agree with Dr. Bob Butler of the National Institute on Aging that these are temporary dislocations. They are the result, largely, of society's failure to anticipate and prepare for a major shift in human survival. We have no excuse for being similarly unprepared in the future.

If people in their 80s and 90s someday enjoy the physical health and resilience associated with middle-aged people today, we will not need to worry about increased social costs of health care and dependency. Elderly Americans who work, produce for the economy and pay taxes will help us salvage much of the expense and wasted resources we now assume are inevitable with an aging population.

Certainly we will need to end forced retirement based on age alone in order to free the energies and productive capacities of a longer-lived, healthier population. Managing a larger work force and providing meaningful jobs for all who want to work are political problems, not scientific problems.

Ask yourselves this: has this century's dramatic increase in older Americans made ours a less flexible, intellectually sterile, or socially immobile society? Not by a long shot. Nor is stagnation the inevitable result of an older population.

I do not minimize problems of overpopulation and limited resources in our nation and in our world. We will have to find solutions to these problems. They will confront us whether or not we manage to intervene in the aging process.

I believe an older, wiser population will be an asset, and perhaps an absolute necessity if we are to cope with the future. It will

help us grasp solutions that require years of technical training and the kind of learning that comes only through long and vast experience.

George Bernard Shaw wrote: "Men do not live long enough. They are, for all purposes of high civilization, mere children when they die."

In a technically complex society, such as ours, talented young people spend an increasing proportion of their lives being trained to produce and contribute. But long before their years of experience have enabled them to realize their very fullest potential, their faculties begin to fail to the processes of age.

This is a tragic loss in human terms. And in terms of productivity. We need to find lifespan technologies that allow us to lengthen the middle years and to reduce to a minimum the period of eventual decline.

In this way we will develop a generation of people with the wisdom, insight and energy to lead us wisely forward to the future.

We need not fear biomedical advances that lead to greater human survival. Rather, we should be on guard against what Dr. Lewis Thomas, of Sloan-Kettering Hospital, calls halfway technologies.

Halfway technologies in medicine treat the manifestations of disease instead of its mechanisms. They aim to compensate for after-effects of illness rather than reaching for preventions.

The iron lung was an instance of halfway technology in the treatment of polio. Fortunately, we didn't stop there. We pursued the basic science that eventually yielded a vaccine.

I believe today's nursing homes someday will be seen in a similar light—as the equivalent of iron lungs for the dependent elderly. They will be regarded as an expensive relic of the days before we found more satisfactory answers to the challenges of human longevity.

We will not get to that happy day as quickly as we should, unless we marshall our intellectual and financial resources, and begin to do it now.

We will not get there rapidly unless we are willing to take some chances.

I am distressed when respected scientists tell me that many innovative and original research proposals are not given a chance to prove themselves.

These are times, in government especially, when research dollars are scarce. Inevitably there is a tendency to favor safe bets in research. Too often institutes, eager to show a return on research, fund projects that yield highly predictable—and therefore minimal—results.

Predictable research will not speed us toward the answers we need if we are to meet the health challenges we face now and will face in the future. We need to have the flexibility and the good judgment to support occasional proposals that carry a high risk of failure—but that also hold the promise of a high payoff if they succeed.

It is difficult for government to justify taking risks. Yet I think it must. But because it is so difficult to move the heavy wheels of government, there is a crucial need for the private sector to support potentially high-benefit biomedical research, to compete with, and thus set a higher standards for, government.

For the present, the new mass of knowledge in the biomedical field is still formless, incomplete, lacking essential threads of connection. There are fascinating new concepts everywhere, irresistable experiments beyond numbering, countless new ways through the maze of problems to the heart of the solution. Every next correct move is unpredictable, every outcome uncertain. But all avenues hold the possibility of discovery.

I assess ours to be a puzzling time, but an exciting time, an exhilerating time, a very good time. We should all be grateful to the biomedical researchers among us who are helping make it so.●

THE "PRODUCTION BOARD" ROUTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 15 minutes.

● Mr. ADDABBO. Mr. Speaker, I have been advocating a "production board" for a long time, not only for energy, but also for conservation, and anti-inflation purposes. That is how we used the War Production Board during World War II, and the National Production Agency (NPA) during the Korean war. The function of the "production boards" was to make the most of anything in short supply, with particular reference to the national needs, whatever they may be and to increase supply where needed for national purposes.

The first regulation (regulation 1) was an antihoarding regulation which applied to anything added to the list. The NPA list shown on the attached copy shows what happened to be in short supply at that time. If the pending bill does not give authority to the agency to do what this regulation does, then I would suggest that a separate bill be introduced for regulation 1 alone, perhaps along with any other specific omissions.

When the bill was introduced for the Energy Mobilization Board, I met a man from one of the major trade associations, and he was very pleased with it. Then I ran into him the next day and he told me that the Wall Street Journal came out against the Mobilization Board merely because it is a "regulatory program." And some other business publications and columns have since come out against that Board, arguing for "free market" methods. The fact is, that the "production boards" were run by industry people, whether as WOC's or officials on staff or on actual industry advisory committees. I suspect that the industry's oppositions might cause a watered down approach with a minimum of effort to meet national needs—favorable to high prices, and so forth.

One of the big advantages of taking the "production board" route is that people are still available who did it before, which means it can be set up and running well in short order, providing the administration goes after people who "did it before"—like Truman did during the Korean war. I can understand industry fears of administrative deficiences some must avoid the tendency to start from scratch with novices.

[Trillions of Btu's in 1973]

	Breakdown of consumption by—					
	Gas	Oil	Gasoline	Anthracite coal	Bituminous coal	Petroleum
Industry				29	4,425	6,043
Commercial						
Residuals						7,020
Transportation						17,927
Electric						3,425
Miscellaneous						260
Total						34,689

War Production Board was headed by a man from Sears Roebuck, which means that he came from a buyer background, which is to say—demand-side, rather than supply-side. The industries which need the energy should dominate the Board, since those who consume energy want ample supplies at moderate prices. The synthetic rubber program of World War II had 51 plants built, and that program was headed by Jeffers from the railroads, after the program was getting nowhere when it was headed by a man from the rubber industy.

The Board we get from Congress may turn out to be a shadow, with many of the functions missing. If that happens a Small Business Production Board might be worth considering. Maury Maverick had within the War Production Board, which meant that any smaller war plant which had important work—from the national point of view—could get all sorts of assistance. That list of assistances might well be reexamined, and it might help smaller firms get more of the business opportunities and production assistances. The fact is, that where shortages exist with regard to energy, inflation, conservation, and so forth it would be nice for small business to expand with Government assistance, rather than to help big industry to expand. Small business is more domestic too.

The "production boards" applied to manufacturing, which uses about half of the total energy consumed in the United States. If industry conserves, and so forth, then the need for residential controls should be greatly reduced even in real emergencies. The idea of going for residential controls first seems nonsensical; with a decent "mobilization board", or production board, the administration might have little or no need for rationing.

It is also noteworthy that if the "Mobilization Board" or "production board" is not limited to "energy," it can be used to reduce the cost of military equipment manufacturing.

As I indicated above, there are some types of legislation that can be separately pursued, for example, the antihoarding regulation—Regulation 1—if the "Mobilization Board" bill that passes leaves out important items that were in the Defense Production Act of 1950—which gave authority for the National Production Administration—during the Korean war.

Let us take a closer look at the anti-

hoarding regulation No. 1 that we had in NPA, and which was directly patterned on similar experience in the War Production Board. This was the first official action of the NPA, effective September 11, 1950, and it limited the quantities of materials in short supply that may be ordered, received, or delivered. To whom did the antihoarding regulation apply? It applied to everyone except an ultimate consumer buying for personal or household use. The regulation applied to wholesalers and retailers to the extent that they handled the items listed as being in short supply. And the regulation also applied to agencies of State and Federal governments.

To curb tendency to hoard in the face of shortages or possible shortages, each industrial consumer and so forth of the item was limited to a "practical minimum working inventory" which was defined as the smallest quantity from which a person could reasonably meet his deliveries, or supply his services, on the basis of his currently scheduled method and rate of operation. Each business had the responsibility of justifying any inventory that was out of proportion with that normally maintained prior to June 1950 (which was several months before the effective date of regulation No. 1). The allowed inventory was related to the rate of production, so that the allowed inventory could be adjusted accordingly. Excessive ordering from a number of suppliers with intent to cancel excess, was not permitted.

Where a supplier had doubt as to whether his customer was entitled to receive delivery, he could protect himself by requiring from the customer a certificate stating that receipt of the material would not increase the customer's inventory beyond the permitted limit. Imported items were not subject to the inventory restrictions while they remained in the hands of the importer, but any person to whom the importer subsequently delivered it was subject to the regulation and was not permitted to accept delivery if his inventory already was, or would thereby have been made, excessive. Those who complied with the regulation as to deliveries were protected from damages or penalties. Hoarding of an item on the shortage list was considered a crime.

Regulation No. 2 described a priority system to assure that production of materials and goods required for meeting national urgencies would have the right of way. The Korean war required only a simplified priority system because the aggregate of war goods involved was a modest fraction of the total industrial output of the United States and all war goods could be considered equally essential. However, in shortage situations a priority designation assigned by the Department of Defense, Atomic Energy Commission, National Advisory Committee for Aeronautics, U.S. Coast Guard, or Civil Aeronautics Administration, could materially advance production of items having national urgency, ahead of items which had no such urgency.

Where necessary, nonessential usage of an item in shortage supply was restricted, which not only assured the availability of the item for essential purposes, but also avoided the development of a skyrocketing price for that item which might result from mere scarcity rather than from increased cost.

Increased private investment for expansion of essential plant capacity was achieved very rapidly, by providing special tax provisions only to investments directed to assurance that national needs would be met. If national needs are in competition with investments for nonessential purposes the sole criteria for investment remains relative profitability without regard to national needs. By confining the "fast amortization" to investments required for national needs there was introduced a relative priority of private investment in favor of increased assurance than national needs would be expedited.

In "The Battle for Production," by the Director of Defense Mobilization (January 1, 1952) it was reported (p. 12) under "Methods Employed in Aiding Expansion":

> To assist in the expansion programs, the Government employs a number of devices—including accelerated tax amortization, purchase and resale of vital material, direct loans to business, loan guarantees, commitments to purchase at specified floor prices, and Government financing of part of the cost of exploration of minerals.
>
> The most important of these devices is accelerated tax amortization, which enables a varying proportion of plant costs to be written off for tax purposes at the accelerated rate of 20 percent annually. (Certificates for accelerated tax amorization covering $11.4 billion in proposed plant expansion have already been issued.)

Three months later the certificates issued totaled $16.6 billion, with an additional $9.9 billion pending. A billion dollars bought a lot of plant capacity in those days. The expansion achieved here was all for meeting national urgencies, and not aimlessly squandered. The procedure was for the NPA Office of Construction and Resources Expansion to receive the applications (Form GA–71) from companies, which then forwarded one copy to the appropriate industry division. If necessary the industry division obtained comment (on Form GA–119) from other (user) Government agencies as to essentiality.

Senator JACKSON was on "Face the Nation" program July 29. He described the pending coal-liquefaction and coal-gasification program as a guarantee by the Federal Government of privately-funded plant construction. That means that the Government might have too little control over the expenditures which might not even be audited as the construction progresses. Also the private-funding may be provided by those with reason to tolerate higher cost of synthetic oil and gas rather than lower.

The oil and gas industries are already over-involved in coal and uranium. It is actually to the economic interest of the oil and gas companies that the alternate sources of liquid and gaseous fuels be expensive. The value of oil and gas output and reserves is directly connected with the cost of the alternatives, as a matter of market economics. So it is preposterous to expect oil and gas companies to have the same incentives toward having low cost alternatives.

It is worth billions upon billions to the oil and gas industry for the cost of the synthetics to be high, and that should not be ignored at this time. If it is at needlessly high prices, it will not only cause the Government to sustain a needlessly high guarantee-cost ultimately, but would cost the Nation enormously when synthetic fuels get into general use. It would also cause high prices for petroleum and natural gas as well.

The question is, What alternative funding might be considered? First, the huge plants for coal conversion and so forth, are a boon to certain States, and particularly in the State where the plant will be located. Accordingly, the State government should issue tax-free bonds to cover perhaps 20 to 30 percent of the cost of the plant. The spending of the construction money within that area is bound to boost the area economically, and the payrolls during operation will also be a boost to the area. The Federal part of the funding should give the Government ownership of the plant with operation by a private company (as was done for synthetic rubber). A special energy bond could be issued by the Federal Energy Bank, income of which would be tax free in any State, not merely where the plant will be built (agreement by the States can be obtained by the FEB). The Security Board provided in the Mobilization Board program can include the Federal Energy Bank. Thus, there would be an annual interest cost paid by the Federal Government on about 70 to 80 percent of the construction cost, and the annual interest can be covered by an annual addition to the bond-construction issue rather than by taxation annually. The patents resulting from Federal R. & D. should not be tax free, but should carry a royalty charge as though the patent was developed by a private laboratory. When the plant is in operation, the Government would still be covering losses on synthetic oil and gas sold at market price; petroleum and natural gas industry might want the coal product sold at cost of production so that they could further raise the price of petroleum and natural gas.

The chances are that the special State and Federal energy bonds might be substantially redeemed when the plants are sold by the Government. (The synthetic rubber plants were sold by the Government during the 1950's for their depreciated cost or better). Unless inflation is brought down substantially that too can contribute to bond requirement. The coal-conversion plants should be constructed with potential resale in view.

The coal-conversion program is described as long term, and some other energy programs are also long term. The "production board" can service such longer term objectives. It also can begin yielding short term benefits if it is used to expedite gasohol and solar programs as well, and to accelerate any other environmental improvements. All these are in the national urgency category. They are not new problems. Energy shortages

are old problems which began to receive media notice as far back as 1948.

It should be realized that all the military equipment will merely be a maginot line if we keep depending on sources of oil that are insecure or distant and subject to easy interruption. We need to give the highest priority now to receive supplies of clean energy, without needless skimping, and we need to count every day as vital. Otherwise we may well be losing the next war now, with possibility of the United States becoming an occupied country. ●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ANDREWS of North Dakota (at the request of Mr. RHODES), for today and until further notice, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. CORCORAN) to revise and extend his remarks and include extraneous material:)

Mr. COURTER, for 10 minutes, today.

(The following Members (at the request of Mr. MILLER of California) to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WEAVER, for 10 minutes, today.

Mr. ADDABBO, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CARNEY, prior to the vote on H.R. 5892 today.

(The following Members (at the request of Mr. CORCORAN) and to include extraneous matter:)

Mr. DANNEMEYER.

Mr. YOUNG of Florida in five instances.

Mr. FINDLEY in two instances.

Mr. BAFALIS.

Mr. KEMP.

Mr. LAGOMARSINO.

Mr. CORCORAN.

Mr. HYDE.

Mr. CONABLE.

Mr. SPENCE.

Mr. LENT.

(The following Members (at the request of Mr. MILLER of California) and to include extraneous material:)

Mr. MAZZOLI.

Mr. WALGREN in two instances.

Mr. PEPPER.

Mr. PEASE in two instances.

Mr. ANDERSON of California in 10 instances.

Mr. GONZALEZ in 10 instances.

Ms. BYRON in 10 instances.

Mrs. BOUQUARD in five instances.

Mr. HAMILTON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Ms. HOLTZMAN in 10 instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. CAVANAUGH in five instances.

Ms. MIKULSKI.

Mr. BARNES.

Mr. CONYERS.

Mrs. SCHROEDER in two instances.

Mr. IRELAND.

Mr. BENNETT.

Mr. LLOYD of California.

Mr. BONKER in two instances.

Mr. SEIBERLING in 10 instances.

Mr. WIRTH.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3407. An act to waive the time limitation on the award of certain military decorations to members of the Intelligence and Reconnaissance Platoon of the 394th Infantry Regiment, 99th Infantry Division, for acts of valor performed during the Battle of the Bulge; and

H.R. 5871. An act to authorize the apportionment of funds for the Interstate System, to amend section 103(e)(4) of title 23, United States Code, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 239. An act to authorize appropriations for programs under the Domestic Volunteer Service Act of 1973, to amend such act to facilitate the improvement of programs carried out thereunder, and for other purposes; and

S. 497. An act to extend for 3 fiscal years the authorizations of appropriations under section 789 and title XII of the Public Health Service Act relating to emergency medical services, to revise and improve the authorities for assistance under such title XII, to increase the authorizations of appropriations and revise and improve the authorities for assistance under part B of title XI of such act for sudden infant death syndrome counseling and information projects, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on November 30, 1979, present to the President, for his approval, bills of the House of the following titles:

H.R. 3354. To authorize appropriations for fiscal year 1980 for conservation, exploration, development, and use of naval petroleum reserves and naval oil shale reserves, and for other purposes; and

H.R. 4483. For the relief of Jung-Sook Mun.

ADJOURNMENT

Mr. MILLER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 24 minutes p.m.), the House adjourned until Tuesday, December 4, 1979, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2923. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1980 (H. Doc. 96–235); to the Committee on Appropriations and ordered to be printed.

2924. A letter from the Assistant Deputy Chief of Naval Material (Contracts and Business Management), transmitting the annual report for fiscal year 1978 on Navy research and development procurement actions of $50,000 and over, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

2925. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on the export expansion facility program for the quarter ended September 30, 1979, pursuant to Public Law 90–390; to the Committee on Banking, Finance and Urban Affairs.

2926. A letter from the Secretary of Labor, transmitting the annual evaluation plan and report covering the areas of research, statistics, evaluation, experimentation, and demonstrations, pursuant to section 313(d) & (e) of the Comprehensive Employment and Training Act of 1973, as amended; to the Committee on Education and Labor.

2927. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Mabel M. Smythe and her family, pursuant to section 6 of Public Law 93–126; to the Committee on Foreign Affairs.

2928. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of an export license for major defense equipment sold commercially to the Government of Malaysia (transmittal No. MC–4–80), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2929. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2930. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Switzerland (Transmittal No. 80–20), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2931. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to discontinue or amend certain requirements for agency reports to Congress; to the Committee on Government Operations.

2932. A letter from the Acting Inspector General, Department of Health, Education, and Welfare, transmitting the 10th quarterly report on the activities of his office, covering the period ended September 30, 1979, pursu-

ant to section 94–505; to the Committee on Government Operations.

2933. A letter from the Secretary of Housing and Urban Development, transmitting a semiannual report on the activities of the Department's Office of Inspector General, covering the period April 1 through September 30, 1979, pursuant to section 5(b) of Public Law 95–452; to the Committee on Government Operations.

2934. A letter from the Secretary of Transportation, transmitting a semiannual report on the activities of the Department's Office of Inspector General, covering the period April 1 through September 30, 1979, pursuant to section 5(b) of Public Law 95–452; to the Committee on Government Operations.

2935. A letter from the Assistant Attorney General for Administration, transmitting a proposed new records system, pursuant to 5 U.S.C. 552(o); to the Committee on Government Operations.

2936. A letter from the Director, International Communication Agency, transmitting a report on the Agency's disposal of foreign excess property during fiscal year 1979, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

2937. A letter from the Secretary, Federal Energy Regulatory Commission, transmitting an opinion and order suspending for 2 years the effective date of the Commission's Opinion No. 36 and orders issued February 26, 1979, issuing a new license for project No. 176, Escondido Mutual Water Co., city of Escondido, Calif., and Vista Irrigation District, pursuant to section 14(b) of the Federal Power Act, as amended; to the Committee on Interstate and Foreign Commerce.

2938. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of August 1979, pursuant to section 308 (a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2939. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the month of August 1979, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 38(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2940. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the month of September 1979, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2941. A letter from the Acting Secretary of Commerce, transmitting recommendations on the eighth annual report of the National Advisory Committee on Oceans and Atmosphere, pursuant to section 4(b) of Public Law 95–63, together with a further report on actions taken on recommendations contained in the committee's seventh annual report, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Merchant Marine and Fisheries.

2942. A letter from the Special Assistant to the President for Administration, transmitting a report on personnel employed in the White House Office, the Executive Residence at the White House, the Office of the Vice President, the Domestic Policy Staff, and the Office of Administration, during fiscal year 1979, pursuant to 3 U.S.C. 113; to the Committee on Post Office and Civil Service.

2943. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on scientific and engineering positions established within NASA as of September 30, 1979, under the authority of section 203(c)(2)(A) of the National Aeronautics and Space Act of 1958, as amended, pursuant to section 206(b) of the act of October 4, 1961; to the Committee on Post Office and Civil Service.

2944. A letter from the alternate to the Chairman, Water Resources Council, transmitting a draft of proposed legislation to amend the Inland Waterway Authorization Act of 1978 (Public Law 95–502; 92 Stat. 1693); to the Committee on Public Works and Transportation.

2945. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the Justice William O. Douglas, Federal Building, U.S. Courthouse, 3d and Chestnut Streets, Yakima, Wash., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2946. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the Lakewood, Colo., Building 25, Denver Federal Center, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2947. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the U.S. Postal Service Terminal Annex, Dallas, Tex., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2948. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the Lakewood, Colo., Building 67, Denver Federal Center, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2949. A letter from the Comptroller General of the United States, transmitting a report on needed improvements to the Grain Standards Act of 1976 (CED–80–15, November 30, 1979); jointly, the Committees on Government Operations, and Agriculture.

2950. A letter from the Comptroller General of the United States, transmitting a report on the depletion of phosphate deposits in the United States (EMD–80–21, November 30, 1979); jointly, to the Committees on Government Operations, Interior and Insular Affairs, and Science and Technology.

2951. A letter from the Comptroller General of the United States, transmitting a report proposing changes in the minimum disability benefit provisions of the civil service retirement system (FPC–D–80–26, November 30, 1979); jointly, to the Committees on Government Operations, and Post Office and Civil Service.

2952. A letter from the Comptroller General of the United States, transmitting a report on the Army Corps of Engineers proposal to add generators to Libby Dam on the Kootenai River, Mont., and to construct a reregulating dam nearby (EMD–80–25, November 20, 1979); jointly, to the Committees on Government Operations, and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on House Administration. H. Res. 469. Resolution providing for the printing as a House document of the study entitled "Soviet Diplomacy and Negotiating Behavior: Emerging New Context for United States Diplomacy" which was prepared at the request of the Committee on Foreign Affairs by the Congressional Research Service of the Library of Congress (Rept. No. 96–676). Referred to the House Calendar.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4887. A bill to authorize appropriations for the San Francisco Bay National Wildlife Refuge; with amendment (Rept. No. 96–677). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4084. A bill to provide for a cooperative agreement between the Secretary of the Interior and the State of California to improve and manage the Suisun Marsh in California; with amendments (Rept. No. 96–597, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 5741. A bill to amend section 103 of the Internal Revenue Code of 1954 to provide that the interest on mortgage subsidy bonds will not be exempt from Federal income tax, and to exempt interest on certain savings from Federal income tax; with amendments (Rept. No. 96–678). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. CLAUSEN:

H.R. 6005. A bill to provide for an accelerated program of wind energy research, development, and demonstration, to be carried out by the Department of Energy with the support of the National Aeronautics and Space Administration and other Federal agencies; to the Committee on Science and Technology.

By Mr. CLINGER (for himself, Mr. McDADE, and Mr. DOUGHERTY):

H.R. 6006. A bill to designate certain public lands in the State of Pennsylvania as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FISHER:

H.R. 6007. A bill to subject gain from foreign investment in U.S. real estate to the income tax; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 6008. A bill to amend the Small Business Act to increase assistance to small businesses in exporting; to the Committee on Small Business.

By Mr. MURPHY of Pennsylvania:

H.R. 6009. A bill to establish the U.S. Olympic Fund, to amend the Internal Revenue Code of 1954 to allow taxpayers to designate that 50 cents of their income tax payments be paid to such fund, and for other purposes; jointly to the Committees on Ways and Means, and the Judiciary.

By Mr. TRIBLE:

H.R. 6010. A bill to allow the heads of Executive agencies to pay to certain individuals amounts equal to 10 percent of the amounts saved by the detection and reporting by such individuals of waste or fraud in such agencies; to the Committee on Government Operations.

By Mr. KEMP:

H. J. Res. 452. Joint resolution to recognize the Polish holocaust of World War II; to the Committee on Post Office and Civil Service.

By Mr. SPENCE:

H.J. Res. 453. Joint resolution requesting the President to issue a proclamation calling on the people of the United States to set aside a period of time each day to show their support for the hostages at the United States Embassy in Iran; to the Committee on Post Office and Civil Service.

By Mr. BRODHEAD:

H. Res. 494. Resolution to express the sense of the House of Representatives in support of the "Day of Solidarity with Oppressed Jewry"; to the Committee on Foreign Affairs.

By Mr. COURTER:

H. Res. 495. Resolution urging the Secretary of State to expel any diplomat to the United States who incites individuals residing in the United States to engage in illegal actions which threaten the public safety or public tranquility; to the Committee on Foreign Affairs.

H. Res. 496. Resolution urging the Attorney General of the United States to expedite certain deportation proceedings with respect to certain Iranians; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of Rule XXII, a memorial of the following title was presented and referred, as follows:

324. By the SPEAKER: A memorial of the Legislature of the Territory of Guam, relative to homeporting additional ships of the U.S Pacific Fleet in Guam; to the Committee on Armed Services.

325. By the SPEAKER: A memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to Commissioner Bowie K. Kuhn; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII,

Mr. DAVIS of South Carolina introduced a bill (H.R. 6011) for the relief of William H. Koss; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as followed:

H.R. 1297: Mr. ATKINSON.

H.R. 1644: Mr. CONYERS.

H.R. 2020: Mr. ATKINSON and Mr. GRASSLEY.

H.R. 4885: Mr. CORCORAN.

H.R. 5548: Mr. MCHUGH, Mr. RICHMOND, Mr. SKELTON, Mr. MAGUIRE, and Mr. EDWARDS of Oklahoma.

H.R. 5609: Mr. CLINGER, Mr. MCKINNEY, Mr. MINETA, and Mr. RICHMOND.

PETITIONS, ETC.

Under clause 1 of rule XXII, the following petitions and papers were presented and referred as follows:

240. By the SPEAKER: Petition of the State Convention of Baptists in Ohio, Columbus, Ohio, relative to continued U.S. food assistance programs; to the Committee on Foreign Affairs.

241. By the SPEAKER: Petition of the 28th annual Child Support Enforcement Institute, Lake Buena Vista, Fla., relative to improvements in the child support program; to the Committee on Ways and Means.

242. By the SPEAKER: Petition of the Joint Legislative Committee on Energy, Columbia, S.C., endorsing amendments to the Clean Air Act and amendments to the Federal Surface Mining Act which allow States greater flexibility in meeting demand for the production of coal; jointly, to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5461

By Mr. MCCLORY:

—Page 2, strike out lines 2 and 3 and insert in lieu thereof the following:

"The birthday of Martin Luther King, Junior, the third Monday in January.".

By Mr. RODINO:

(Substitute for the committee amendment).

—On page 2, line 3, strike out "January 15." and insert in lieu thereof "the third Monday in January.".

EXTENSIONS OF REMARKS

A REALISTIC ENERGY POLICY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. YOUNG of Florida. Mr. Speaker, 6 years have passed since the Arab oil embargo shocked America into a recognition of our dangerous dependence on foreign oil imports and of the precarious balance between our total energy supplies and our energy needs. Since then, official Washington has spent countless hours, days and weeks talking about a national response to this very real problem. Yet for all these years spent in debate and controversy—in the House, in the Senate and in the executive branch—the United States still has no effective national energy policy.

Like other Americans, I have no "magic formula," no "miracle plan," that would provide an overnight solution to the problem. And like other Americans, I am fed up with all the talk, all the wrangling, all the intramural squabbling that has been going on as every self-interest group in the Nation seeks to gain some advantage from what should be a bipartisan, national response to this national problem. I believe that the problem is solvable—that American ingenuity and cooperation can result in the production of enough energy to meet our essential energy needs. In that spirit, let me state several principles that I believe are self-evident and then discuss some of the proposals that have been offered as "solutions" to the energy problem.

First, I believe it is evident to all thinking Americans that we must produce more energy within the boundaries of our own country. We must become less dependent on foreign sources of supply. We must be self-sufficient to remain a strong Nation. We must never sink to a point where we would ever fear the Khomeinis of this world.

Second, it is equally self-evident that conservation should be our first line of attack against energy shortages but that conservation efforts alone will not be enough to balance our energy supplies with our energy needs. Energy conservation is important, but conservation without production will never get the job done.

Third, it should be evident to all that regulations do not produce energy. Unfortunately, the main product of the Department of Energy has been regulations. We need to change that agency from a department of energy regulations to a department of energy production.

Fourth, it should be clear to all that taxes do not produce energy. All the taxes and all the regulations that have been proposed have not created one additional gallon of gasoline or produced one additional kilowatt of electricity.

As we discuss energy production, contrary to some thinking, we do not have to choose between the production of energy versus the protection of our environment. We can do both, and only extremists on either side of the energy debate seek to persuade us that we can only do one or the other but not both.

Mr. Speaker, there should be little real controversy over these principles, although they are sometimes forgotten in the heat of debate. We must produce more energy, and we must produce as much of it as possible in our own country. We can no longer afford to depend on the whims of a foreign power.

Unfortunately, the policy of the present administration appears to ignore these principles. The policy of the present administration has been to reduce energy consumption by making it so expensive that no one can afford to use it. The administration has proposed program after program of new taxes and increased taxes and more regulations. And not one of these—I repeat—has created an additional gallon of gasoline or produced one kilowatt of electricity.

The administration's first energy "program," Members of this House will remember, called for increased gasoline taxes. Congress refused. The administration also proposed additional taxes on crude oil at that time. Congress again refused.

The administration also proposed various gasoline rationing schemes. Although I had numerous reasons for

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

opposing President Carter's first standby rationing scheme, the unfairness of the plan to the people of Florida was high on my list. For example, although Florida has less than adequate public transportation, we are helping to pay for a very fine metro system in Washington, D.C. Despite this fact, under President Carters' first rationing plan the bureaucrats living in Washington would have gotten more gasoline than Floridians or the people of 45 other States. Although I was greatly disturbed over this obviously unfair gasoline distribution formula, I was not at all surprised. After all, how could we expect to get a fair plan from people who believe the answer to our energy problem is to make gasoline so expensive that people will quit using it?

Although Mr. Carter's first plan would have provided coupons needed to buy gasoline, it did nothing to guarantee that the gas stations would have enough gasoline to honor those coupons. In fact, on May 16 of this year Mr. Carter's former Energy Secretary, James Schlesinger, conceded to me and several other members of the Appropriations Committee that, "The allocation system is a system of misallocation." That is a short statement but its meaning is all too obvious. Mr. Schlesinger and other officials in the Department of Energy have admitted that the Department itself was to blame for the long gasoline lines of this past summer. The Department's allocation system is a national failure.

Recently, the administration proposed and the House passed a "windfall profit" tax. A modified version of that plan is being considered in the Senate. I have always supported the concept of enacting a windfall profits tax as an effective means of preventing oil companies from reaping huge profits at the consumers' expense. As a matter of fact, former Presidents Nixon and Ford both proposed a tax on windfall profits with a provision that funds from such a tax would be used to accelerate the development of new energy sources, and I am pleased that President Carter finally decided to support this plan. I believe it is a workable approach to protecting the interests of the American people, while also moving us closer to that time when Americans will finally be free from the economic pressures of OPEC countries.

There is one difference of opinion, however, that I do have with President Carter's windfall profit tax proposal. Rather than redistributing a large portion of the proceeds from this tax through our social programs, as requested by the President, I believe all the moneys realized from this windfall profit tax should be put back into energy production, research and development. I do not believe it is appropriate to tie our energy initiatives to our welfare initiatives. In my opinion, one of the best things we could do for people on low incomes is to lower the price of energy and other oil-related items as medicine, food production (petrochemical fertilizers), clothing (synethic fabrics), plastics, and so forth. The only way we will ever lower the price of energy is to develop our own energy resources and free us from dependence on foreign oil producers. The only way we will ever become self-sufficient is to place much more emphasis on increased exploration for new oil and exploitation of known existing untapped supplies as well as on the development of alternative sources of energy. For example, it is a well-known fact that there are billions of barrels of untapped oil in the United States. The problem is that it is either too deep, too dispersed in rock, or too thick to be removed by conventional pumping procedures. What is needed, then, is the more effective procedures for extracting this oil, which unfortunately are also more expensive. With additional funds available from a windfall profit tax, these hundreds of millions of barrels of American oil can be recovered.

One reason for the frustration shared by so many Americans is their conviction that they are not being told the truth by the oil companies or the Government. I share that frustration. The President of the United States is the only individual in the United States who is powerful enough to get the real truth about the energy situation. For that reason, last May I initiated, and the Republican leadership in the House joined me in sponsoring, a resolution of inquiry directing the President to respond to 11 very specific questions concerning the energy shortage. I raised this issue because I felt it was time to end the confusion and contradiction surrounding the administration's statements, and to demand a concise, factual accounting of the energy situation. My proposal, House Resolution 291, passed the House June 15.

Unfortunately, when President Carter directed the Department of Energy to investigate the big oil companies to determine whether they were telling the truth about energy supplies, the Department of Energy responded by providing the President with the oil industry's own figures instead of conducting its own investigation. We have heard calls from the American people to stand up to the big oil companies and, as one Member of this House, I am ready and willing to stand up to them with all my strength. That was the point of our resolution of inquriy. Not only should we be willing to stand up to big oil, we should also be willing to stand up to big government with equal resolve. Big Government is a big part of the problem. As I noted earlier, the Department of Energy has conceded that its allocation program was responsible for the long gasoline lines of this past summer.

Until we can stabilize the energy situation in our country, no alternative energy source should be discounted, and every means should be employed to encourage its development. On June 26th the House passed and sent to the Senate legislation which addresses this long neglected aspect of energy production. The measure, H.R. 3930, proposed establishment of a national production goal for synthetic fuels equivalent to 500,000 barrels of petroleum per day. It would help create a synthetic fuel industry using coal, shale and other resources found in abundance within the boundaries of the United States. Although President Carter originally supported this legislation, his commitment to it has since softened. As a matter of fact, as recently as October 14, President Carter was quoted by the New York Times as saying: "As a last resort we'll have to have some additional supplies of energy." That was his phrase: "As a last resort." With thinking like that, it is no wonder that we still have no realistic national energy policy. And consider this: the synthetic fuels bill to create more energy could use the same $2 to $3 billion that it would cost just to set up the President's first gasoline rationing plan.

One day we will develop an efficient, renewable, nonpolluting and unlimited source of energy, either from the sun, agriculture, a combination of the two or some other exotic means that we have not even thought of yet. But until then, much more emphasis must be placed on increased exploration for new oil, exploitation of known existing untapped supplies of crude oil in the United States, and the development of synthetic and alternate fuels.

While trying to obtain domestic energy production goals, we must not lose sight of our environmental goals. However, laws and regulations must be applied fairly and reasonably, so that production consistent with these goals is encouraged. Some are concerned about the increased use of coal, and the environmental impact this may pose. Such concerns are understandable, but I am convinced that American technology can reduce those risks to a level where coal can be safely and efficiently utilized, either in its natural form or in a form of gas or liquid made from the coal.

No alternative source of energy should be ignored. We should proceed carefully and cautiously with the development of nuclear energy. We must continue research and development of nuclear reprocessing techniques so that the United States can have long-term insurance against overdependence on depletable fuels. I do not dismiss the concerns of those who have expressed legitimate questions about the continued development of nuclear energy. We must study their questions carefully and learn from the lessons of experience. But I am convinced that the United States has the ability and the will to reduce any real or imagined danger posed by continued production of nuclear energy.

In order to make the best use of our energy resources, the development of public transportation should have a high priority. Throughout my service in Congress. I have supported legislation to improve public transportation including the Amtrak passenger rail service system. In addition, there should be more emphasis on use of carpools, vanpools, bus and other rail services.

In summary, Mr. Speaker, we must approach our energy problems realistically and on many fronts. We must take strong measures to conserve available energy sources. We must develop new energy sources. And—above all—we must develop these safe and secure energy supplies within the borders of our own country, free from the political and

economic pressures of the OPEC countries.●

INNOVATIVE CONGREGATE HOUSING PROGRAMS FOR THE ELDERLY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. PEPPER. Mr. Speaker, one of the major concerns of the Select Committee on Aging, which I have the honor to chair, has been alternative housing to institutionalization. A most promising alternative has been congregate housing, a program to house the elderly in a group environment where necessary services can be provided. Many such projects have been built across the country, each set up somewhat differently, providing different services, with the same goal in mind, to allow senior citizens to live independently or semi-independently for as long as possible.

Through the aid of an outstanding newsman with the National Broadcasting Co. in New York, who has displayed great sensitivity in this area, Mr. Joe Michaels, our committee has learned of two model congregate housing facilities. Both models are located in New York and both should certainly be commended for their experimentation in senior citizen housing.

The Nassau County Department of Senior Citizen Affairs initiated an experimental program over a year ago that has since been taken over by the Long Island Jewish Medical Center. The program involves housing for senior ctiizens recently discharged from the hospital and provides them with a family-type living environment. Eight residents share a large living room and kitchen, with separate bedrooms and baths. Among the services provided are a homemaker, who does shopping, and so forth, a social worker, and a medical team including a mental health specialist. The residents are able to care for themselves to a great extent, many prepare their own meals, others are fed through the meals-on-wheels program. Supportive grab bars and handrails are provided throughout the apartment for those residents who have problems with mobility.

Another experiment turned success in congregate housing is the Westchester communal living arrangements program, sponsored by the Westchester Jewish Community Services. Two apartments were rented in a complex housing more than 200 people in White Plains, N.Y. The setting is attractive and decidedly residential, where the elderly are not barricaded from the rest of the world. Grab bars and handrails have been installed and any hazards that would hamper mobility have been removed. Each apartment houses four senior citizens who have applied for this housing and are screened according to compatibility. Each has their own private bedroom, with two people sharing baths and one living room and kitchen per apartment. A homemaker comes in 6 days a week, 6 hours a day to do shopping, prepare lunch and do other houshold chores. Other services include social work, case work, physical education, mental health facilities as well as a doctor for emergencies. A spokesman for the Jewish Community Services said that the residents are very happy in their apartments, they have become a family, and attributes this to the type of living facility as well as the care and concern of the agency.

Both agencies plan to establish similar housing facilities elsewhere, due to the success of these first experiments. I am immensely pleased to find that there are people who do care enough to find alternative housing for senior citizens and that such housing proves to be beneficial to the elderly.●

JAMES A. GROTH—MANAGING EDITOR OF THE SAN PEDRO NEWS-PILOT 1974–1979

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. ANDERSON of California. Mr. Speaker, in October of 1974, Copley Newspaper publisher Hubert L. Kaltenbach announced that James A. Groth would become the new managing editor for the San Pedro News-Pilot. "Jim will have the responsibility of maintaining the image of the News-Pilot as an integral part of the harbor community. He will become an active part of the community and will work to keep the News-Pilot as the voice of the community," he said.

Those acquainted with the newspaper's publication during the last 5 years know that Jim Groth did not take these words lightly. During the time that he has managed the newspaper, it has not deviated from its traditional role as the harbor area's most dependable source of news and event coverage. Now a new advancement and challenge is in store for James Groth; he will soon become managing editor of the Pasadena Star News. As he nears this transition in his rising career, I would like to take this moment to share with my colleagues words to describe some admirable contributions made by this man to the journalistic profession and to the San Pedro community.

James Groth came to the News-Pilot from the Daily Breeze newspaper of Torrance, where he served as sportswriter, general assignment reporter, and assistant city editor in charge of special sections and feature writers. Prior to this time he worked for the Burbank Daily Review, the Orange Daily News, and on a tabloid publication while in the U.S. Army stationed in Hawaii.

His stories and editorial work have received wide recognition. In 1967, 1974, and 1977 he was presented the Copley Ring of Truth Award. In 1975, his editorial page work was noted by the California Newspaper Publishers Association.

Many professional organizations have also received his active support and participation. He is a founding member of the SouthWest Press Association; a member of the Associated Press Managing Editors' Association; and is the present chairman of the Associated Press News Executives Council for the California-Nevada region.

Without doubt the entire community of San Pedro, as well as the News-Pilot, will miss the presence of Jim Groth. He has done more than run a newspaper as a business. He has given generously of his time to numerous community services. The people of San Pedro, his friends, and acquaintances will always be appreciative of this.

My wife, Lee, joins me in congratulating our friend Jim Groth on the new advancement in his career. We wish him great success and happiness in the future. This is a reward he richly deserves.●

AUSTRALIA TO LIFT SANCTIONS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. FINDLEY. Mr. Speaker, in a November 22, 1979 statement, the Government of Australia announced that it would lift its sanctions against Zimbabwe-Rhodesia when Great Britain does. I am placing in the RECORD that part of the Australian statement that deals with sanctions so that my colleagues might have the benefit of the cogent arguments it contains.

I hope that my colleagues will agree that it would be unfortunate for the United States to maintain its sanctions against Zimbabwe-Rhodesia once a British Governor has been installed in Salisbury and the British remove their sanctions. To maintain U.S. sanctions against British authority given the outstanding British role in promoting a peaceful settlement in Zimbabwe-Rhodesia would be unthinkable.

Australian statement on sanctions follows:

I also wish to state the government's position on the removal of the sanctions that have been in force against Rhodesia since the unilateral declaration of independence in 1965. It is possible to engage in some fine legal distinctions about the obligations of UN members in regard to the lifting of sanctions. It seems clear to the government, however, that when all the Rhodesian parties concerned and the British Government have freely agreed to an independence constitution, freely agreed on arrangements for the holding of elections and the implementation of the constitution, and when British authority has been re-established in Rhodesia for the purpose of instituting those arrangements, then the objectives for which sanctions were originally imposed will have been achieved. We recognise that for a number of reasons there may be some delay before the UN Security Council may be able to take the formal steps which may be thought necessary in respect of sanctions. We hope this process will not be long. For Australia, however, as we are likely to have Australian military and civilian personnel and an Australian liaison office in Rhodesia during the period

leading up to independence as we will in the circumstances I have described, be satisfied that the objectives for which sanctions were imposed have been achieved, the government considers—and I believe all Members of the House will agree with this—that it would be inappropriate for it to maintain sanctions during that time. A further announcement will be made on this matter in due course.●

CONGRESSIONAL VETO OF FTC REGULATIONS A PRUDENT SAFEGUARD

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. RUDD. Mr. Speaker, I question the large size of the recommended budget for the Federal Trade Commission and have serious reservations about many of the ongoing activities of the Commission under its present chairman. Nevertheless, I would like to compliment the members of the Interstate and Foreign Commerce Committee for including within their recommendation the provision for congressional review and veto of FTC regulations.

In particular, I would like to express appreciation to the gentleman from North Carolina (Mr. BROYHILL) for his persistent spearheading of this effort within the committee to incorporate the legislative veto concept in the FTC reauthorization.

Mr. Speaker, the present FTC illustrates all too well what has happened to our system of Government due to the unconstrained growth and power of the Federal bureaucracy. This agency and others, as well, have become like a fourth branch of Government—in many respects more powerful than those established by our Founding Fathers and without the checks and balances incorporated by them.

Because the FTC makes its own rules, decides how they are to be implemented, and sits in judgment over them, it effectively combines legislative, executive, and judicial functions.

Its actions directly affect tens of thousands of businessmen, as well as every consumer throughout the Nation. Indeed, the FTC is one of the prime culprits for the increased regulation of the American economy and the subsequent higher costs to consumers.

Yet, because the Commission is directly responsible to no one, it has exercised power without restraint, far exceeding congressional intent.

It is because congressional and executive oversight have not been sufficient or timely enough to deal with the excesses of agencies like the FTC that there is now such widespread popular support among the American people for the concept of legislative review and veto. I am optimistic that the Senate will reverse its previous opposition and concur with the House position in favor of the legislative veto.

While I have reservations about other aspects of this legislation, I wholeheartedly support this provision in the FTC bill to remove power from the hands of unelected bureaucrats and to return it to the American people through their elected representatives in Congress.●

A CALL FOR NATIONAL UNITY—FLY THE FLAG

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. BAFALIS. Mr. Speaker, Americans in every State of this great Nation are irate and angered by the Iranian Government's blatant disregard for international law and human dignity. And they are crying for a way in which to show their unity in this hour of crisis and their determination to see the hostages in Tehran freed.

I am proud to report a newspaper in my district, the Fort Myers (Fla.) News-Press is showing us how to show our unity and our resolve—by flying our flag.

In a front page editorial in the November 30 editions, the News-Press declared:

Now is the time for Americans to stand up and be counted. The seizure of the United States Embassy and its employees in Iran has thrust a grave crisis upon America. The world is watching to see if we face up to the saber-rattling blackmail that threatens to besmirch the image of the mightiest nation on the earth. A simple but forceful show of resolve would be for all to fly the banner that has symbolized this nation's unity for more than 200 years.

Today the News-Press is launching a campaign urging all Southwest Floridians to run up the flag on a show of support for your country. Fly the banner every day to tell the world we will stand together to meet the challenge. And our neighbors across the nation should join in for all to see an America united.

This action by this strong voice of southwest Florida is in keeping with the finest traditions of American journalism.

We have drifted away—far too far away—from the resolve shown by our forefathers when they declared their independence from Great Britain under a flag bearing the likeness of a rattlesnake and the motto: "Don't tread on me," or when the leaders of this fledgling Nation greeted the demands of the pirates with the shout "Millions for Defense, but not one cent for tribute."

We need to once again display that determination and the Fort Myers News-Press has shown us the way—by displaying our flag, a flag which has long represented that which is best, bravest and finest about the human race.

This will serve notice on both our friends and our enemies that we are not pushovers, forced to suffer every indignity. No, we are Americans, proud of our heritage and our Nation, and willing to take whatever steps are necessary to see that our citizens, our flag and our country are given the respect they deserve.

It is extremely important for the world to know not only of our determination to see our hostages freed unharmed, but also to learn of our national resolve to see no more such incidents in which a two-bit demagogue attempts to besmirch our country. And I know of no better way to demonstrate that determination and that resolve than by flying The Stars and Stripes from as many U.S. homes as possible.

So I am glad to report that the News-Press campaign has been picked up by other newspapers in the Gannett family, most noticeably by the Pensacola News and Journal and by Today in Cocoa. And others are expected to join in the force.

I was particularly pleased to see the News-Press, in a second editorial the same day, call for greater energy conservation to loosen the OPEC nations' stranglehold on our economy.

Each gallon of gas we conserve, each additional gallon of gas we can produce here at home is a slap in the face of the Iranian Government—a much deserved slap in the face.

But, Mr. Speaker the News-Press is doing more than just calling for others to fly the flag. It is giving away lapel flag pins and selling cloth American flags below cost. And today's editions—all 70,000 of them—contain a bumper sticker with the message: "Free the Hostages * * * Fly the Flag."

For that reason, I wish to share with my colleagues the editorial page main editorial of the November 30 edition:

A CALL FOR NATIONAL UNITY—FLY THE FLAG

The pealing of church bells at noontime, urged by President Carter, is a fitting demonstration of prayerful support for 49 American hostages innocently caught up in the fanaticism of a Moslem nation.

But Southwest Florida, somewhat short of church bells, can do more. The people of this area can and should display the American flag, at home and place of business, throughout each day the Tehran embassy hostages remain in captivity.

We urge all Southwest Floridians to fly the stars and stripes, known the world over as a symbol of courage and justice. All people who believe in their nation will want to fly the flag at this time—as a symbol of the solidarity of the American public in a time of international crisis.

While America's enemies are burning our flag, as seen on television nightly, Southwest Floridians should fly the flag proudly and properly. A properly flown flag ought to tell our own leaders—as well as the world that the people of America are ready and willing to respond to a crisis.

By displaying the American flag at this time, Southwest Florida residents will clarify both their pride in our nation and their determination never to bow down to the tyranny and blackmail of foreign madmen.

Let this widespread flying of the flag remind our leaders—and particularly the architects of our foreign policy—that the American people are not prepared to sit quietly if the United States is ever again poorly prepared to respond swiftly to a foreign challenge.

At the same time, all area residents should back such a gesture with a determined effort to reclaim our nation's destiny. That can be accomplished by pledging to conserve fuel.

Unless we all do whatever is possible to reduce our consumption of fuel, the fate of the United States will remain in the greedy hands of oil-rich kingdoms in the Mideast.

The gravity of that situation ought to be particularly obvious to Southwest Floridians. Oil-rich nations have been allowed to damage our economy—even threaten the lives of many thousands of northern Americans, who could have to do without heating oil this winter.

At the same time, federal officials have been groveling at the feet of Mexican officials. Our government seems perfectly willing to allow unscrupulous Mexican growers to engage in unfair trade practices, thereby sacrificing the winter vegetable industry of Southwest Florida in return for a half-hearted promise that the United States may be able to buy Mexican oil and gas—at some horrendous price or another in the future.

We believe Americans have suffered enough at the hands of foreign nations. We think most area residents share our belief that it is way beyond time to call an end to blackmail and fanatical attacks on the United States.

Fly the flag to demonstrate America's determination to restore its heritage.

Our nation must revitalize its commitment to independence. We must all join that fight. For without independence, we are not Americans at all.●

AMERICA IS IN DISTRESS, SAYS PUBLISHER

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. HYDE. Mr. Speaker, as a thoughtful response to the incredible violations of international law and human decency now being perpetrated by the Government of Iran, Lloyd H. Weston, president and publisher of an important group of community newspapers in my district has issued the following statement:

In a unique demonstration of protest and patriotism, the Addison Leader Newspaper Corp. is today printing all 11 of its suburban Chicago newspapers with the "flags," or nameplates, of the newspapers running upside down on the front page.

ALNC President and Publisher Lloyd H. Weston says he took his cue from Title 36 of the United States Code: the American flag should never be displayed upsided own, "except as a signal of dire distress in instances of extreme danger to life or property".

In an editorial in today's editions, Weston notes the many symbolic demonstrations Americans are conducting in venting their frustrations over the Iranian take-over of the U.S. Embassy in Tehran. "We are obliged to do our part too in protest of the taking of American hostages in Iran and in supporting our government's attempts to obtain speedy release of all captives."

"Patriotism," Weston says, "is a word coming back into fashion, as never before in this decade. Uncle Sam may not be wanting 'you' to join the Army over this, but most Americans, I believe, want to do something to show their support of this country and President Carter's actions in this crisis."

The copyrighted editorial continues: "As a symbolic gesture of our disdain for the actions during the past fortnight of the Ayatollah Khomeini and the so-called Iranian 'student' terrorists, we are flying our 'flag' upside down on the front page of this newspaper."

The Addison Leader Newspapers will continue to print its "flags" upside down "until all the American hostages in Iran are released."

Weston, who is also President and Publisher of Chicago Daily News, Inc., says he urges other American newspaper publishers to join him in "inverting their 'flags' as part of a great national protest and a show of support for our government and our president in this time of distress."

The Addison Leader Newspaper Corp. circulates 55,000 community newspapers each week "West of O'Hare" in Addison, Bensenville, Wood Dale, Itasca, Elk Grove Village, Bloomingdale, Roselle, Glendale Heights, Hanover Park, Bartlett and Streamwood, Ill.●

CALL FOR JOINT U.S.-ISRAELI NAVAL MANEUVERS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. FINDLEY. Mr. Speaker, Western naval cooperation is critical to countering the growing Soviet global threat. Over the past year I have repeatedly urged the administration to foster improved coordination between our Navy and the navies of friendly nations. For example, enhanced cooperation among the navies of the NATO nations is critically important in the Indian Ocean and Persian Gulf region in order to protect the vital sealanes of communication there, and I plan soon to introduce a resolution which urges the President to seek ways of promotong naval cooperation between the United States, Canada, Japan, Australia, New Zealand and the ASEAN nations.

Therefore I found it extremely distressing to learn from a November 26 Newsweek article that the United States is discouraging an Israeli proposal to undertake joint United States-Israeli naval maneuvers. United States-Israeli naval maneuvers would be an important step toward naval cooperation between the United States and friendly nations. It would enhance our naval capabilities and resources in a critical region of the world.

As I mentioned in the following letter which I am sending to Secretary of Defense Brown, I do not believe that United States-Israeli naval cooperation should have to await the approval and participation of other nations. Although evenhandedness in the Middle East is important, I feel that it should not require that the United States can only proceed as part of a trio with Egypt and Israel forever hereafter.

Indeed, the capabilities of the Israeli Navy make it a prime candidate now for joint maneuvers with the United States. It is important for the United States to recognize the strategic importance of Israel and its willingness to play a role in increasing Western deterrence and defense. Therefore, I hope the Secretary will reconsider and give his approval to joint United States-Israeli naval maneuvers in the near future.

The Newsweek article follows:

MIDEAST MANEUVERS

Israel wants the U.S. to join in Mideast maneuvers that would involve the U.S. Sixth Fleet and the Israeli Navy and Air Force. The Israelis reason that both countries would gain from such preparedness, and the Pentagon likes the idea, but there are political and diplomatic obstacles. For one thing, the U.S. would also have to conduct joint maneuvers with Egypt in the name of evenhandedness, and the Egyptians don't seem interested.●

CONTROVERSY OVER THE SHAH

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. LAGOMARSINO. Mr. Speaker, there has been a great deal of finger-pointing and recriminations about allowing the deposed Shah of Iran to come to the United States for medical treatment. Various quotes have appeared in the press, perhaps the most notable attributed to former Under Secretary of State George Ball who alleged former Secretary of State Kissinger used "obnoxious" pressure to force the administration to allow the Shah into the United States for medical treatment.

In his news conference November 28, President Carter responded to a question about Secretary Kissinger's role in the "Shah affair." The President cleared the record by saying that he had made the decision himself "without pressure from anyone." President Carter added that he had received no word from former Secretary Kissinger during the period when he was considering granting permission for the Shah to come to the United States.

On November 29, the Washington Post carried an extensive commentary by Kissinger on his role in the supposed "controversy" surrounding the Shah's coming to the United States. I believe, in order to have the record clear on this issue, the Post commentary should be included in the RECORD for the attention of my colleagues.

[From the Washington Post, Nov. 29, 1979]

KISSINGER ON THE CONTROVERSY OVER THE SHAH

Only the president of the United States can solve the present crisis, and I believe all Americans, of whatever party or persuasion, owe him our support and our prayers.

I have made no criticism of the president's handling of the crisis. My public comments in New York on Nov. 7, in Dallas on Nov. 10 and in Los Angeles on Nov. 11 all called for national unity behind the president. A senior White House official told me at breakfast on Nov. 21 that, on the basis of fragmentary news ticker reports, remarks I had made in Austin on the foreign policy challenges of the 1980s were subject to misinterpretation. I offered to put out an immediate clarifying statement expressing support for the president in this crisis and calling for unity. (Indeed, I suggested that Jody Powell draft it.) The offer was ignored.

Since then I have read and heard myself described by high White House officials as acting deviously and dishonorably; as advising the shah—strangely enough—to seek the advice of our government about whether to stay or leave this country; and as having exerted pressure to get him here in the first place.

This campaign struck me as all the more remarkable against the background of a call

by me on the first day of the crisis to Deputy Undersecretary of State Ben Read in which I told him that I would not criticize the administration for its handling of the crisis either during its course or afterward; it could be sure that I would do my utmost to keep the crisis and its aftermath insulated from partisan controversy.

The administration was well aware that from the first I have been calling congressional and other leaders urging restraint in comment. In short, it is not I who has been courting controversy in the middle of a national crisis.

As for my own involvement in recent events, ironically it began at the administration's initiative. In the first week of January 1979, a senior official of the State Department asked my help in finding a residence for the shah in the United States. Our government had concluded, I was informed, that the shah must leave Iran if the Bakhtiar government were to survive the efforts of Ayatollah Khomeini to obtain total power. If I could find a suitable domicile in America, the shah might overcome his hesitation and hasten his departure. I doubted the analysis but acceded to the request. I called David Rockefeller for help. Mr. Rockefeller expressed his personal sympathy for the shah but also his reluctance to become involved in an enterprise that might jeopardize the Chase Manhattan Bank's financial relationships with Iranian government or quasi-governmental organs. I then appealed to his brother Nelson; with his help, a suitable residence was located. A week later the shah left Iran. Two weeks afterward Nelson Rockefeller died.

Thus David Rockefeller's later role was hardly spurred by economic considerations as has been alleged; it ran, in fact, contrary to his commercial interests. He was motivated by his desire to carry out the legacy of his late brother and his devotion to the principle that our nation owed loyalty to an ally who had been loyal to us. This was my view as well, and remains so.

Less than two months later—in mid-March—another senior official of the Department of State urged me to dissuade the shah, who had spent the intervening period in Morocco, from asking for a U.S. visa until matters settled down in Tehran. I refused with some indigation; David Rockefeller was then approached. He too refused. When Rockefeller and I inquired whether our government would help the shah find asylum in another country, we were told that no official assistance of any kind was contemplated.

This I considered deeply wrong and still do.

Every American president for nearly four decades had eagerly accepted the shah's assistance and proclaimed him as an important friend of the United States. President Truman in 1947 awarded the shah the Legion of Merit for his support of the Allied cause during World War II and in 1949 praised him for his "courage and farsightedness" and his "earnestness and sincerity in the welfare of his people." President Eisenhower in 1954 paid tribute to the shah for his "enlightened leadership." President Kennedy in 1962 hailed the shah for "identifying himself with the best aspirations of his people."

President Johnson in 1964 lauded the shah as a "reformist 20th- century monarch" and in 1965 praised his "wisdom and compassion . . . perception and statesmanship." President Nixon in 1969 declared that the shah had brought about "a revolution in terms of social and economic and political progress." President Ford in 1975 called the shah "one of the world's great statesmen." President Carter in 1977 praised Iran as "a very stabilizing force in the world at large" and in 1978 lauded the shah for his progressive attitude" which was "the source of much of the opposition to him in Iran." Such quotations could be multiplied endlessly.

And they were correct. In my own experience the shah never failed to stand by us. In the 1973 Mideast war, Iran was the sole American ally adjoining the Soviet Union which did not permit the overflight of Soviet transport planes into the Middle East. In 1973–74, Iran was the only Middle East oil-producing country that did not join the oil embargo against us; it continued to sell oil to the U.S., to Israel and to our other allies. Iran kept its oil production at maximum capacity (thus helping stabilize the price) and never used oil as a political weapon.

The shah was a source of assistance and encouragement to the forces of moderation in the Middle East, Africa and Asia; he used his own military power to ensure the security of the Persian Gulf and to discourage adventures by radicals. He firmly supported the peace process that culminated in the Egyptian-Israeli treaty; he was a defender of President Sadat against radical forces in the area. After his initial advocacy of higher prices in 1973, he used his influence to keep the prices steady so that the real price of oil actually declined over the period from 1973 to 1978 (due to inflation).

The crisis we face in 1979—the 65 percent hike in oil prices, the cutback of Middle East oil production, the radical challenges to the peace process and the rise of anti-American fanaticism in the whole area—is the price we are paying for the absence of a friendly regime in Iran. The conclusion is inescapable that many of the shah's opponents in Iran hate him not only for what he did wrong, but also for what he did right—his friendship for the United States, his support for Mideast peace, his rapid modernization, his land reform, his support for public education and women's rights; in short, his effort to bring Iran into the 20th century as an ally of the free world.

I do not doubt that wrongs were committed by the shah's government in his long rule; the question is how appropriate it is to raise them, after four decades of close association, in the period of the shah's travail. I have been deeply worried about the foreign policy consequences of spurning him. What will other friends of the United States in the area, in comparably perilous situations and perhaps even more complex domestic circumstances—leaders essential for a moderate evolution of the whole region—conclude if we turn against a man whom seven American presidents had lauded as a loyal ally and a progressive leader?

My conviction that on the human level we owed the shah a place of refuge had nothing to do with a scheme of restoring him to power. I have stated publicly that we should seek the best relations possible with the new authorities in Tehran. I simply assert that it is incompatible with our national honor to turn our back on a leader who cooperated with us for a generation. Never before have we given foreign governments a veto over who can enter our country as a private citizen.

Between early April and early July, I put these considerations before three senior officials in phone conversations. And I called twice on Secretary of State Vance in the same period. The upshot was a refusal to issue a visa explained by the tenseness of the situation in Iran. In April I delivered a public speech stating that I thought it morally wrong to treat the shah as a "flying Dutchman looking for a port of call."

In other words, I made five private approaches on this subject to the government—*none* after July. Such was the "obnoxious" pressure, as George Ball has called it, to which our government was subjected.

When it became apparent that our government would not help the shah and that he was unable to stay any longer in Morocco, David Rockefeller and I did what we could to find him a place of refuge. David Rockefeller was able to arrange a temporary stay in the Bahamas. In April and May, I appealed to the government of Mexico. To its enormous credit, it had the courage to extend a visa even though—as one official pointed out to me—Mexico was being asked to run risks on behalf of a friend of the United States that we were not willing to assume ourselves.

Once the shah was in Mexico, David Rockefeller, John McCloy and I tried to be helpful with private matters on a personal basis. The education of the shah's children in America was the principal issue.

We did our best to find appropriate schooling; this raised the issue of visas. Contacts with our government were handled by Mr. Rockefeller's assistants Joseph Reed, and John McCloy. Mr. McCloy repeatedly urged the Department of State to designate an official with whom the shah's entourage could communicate on such matters without using our group as intermediaries. Such a contact point was never established.

This was the state of affairs when the shah fell ill early in October. As it happened, I was out of the country from Oct. 9 to Oct. 23 and had no communication with any level of the government about the matter. While in Europe, I kept in touch with the Rockefeller office but did not intercede personally with any official or agency of the government—though I would have had it been necessary. My understanding is that Joseph Reed presented the medical records to Undersecretary Newsom and on the basis of those records the administration admitted the shah for treatment. I am not aware that there was any hesitation. To the administration's credit, no pressure was needed or exercised; I gather that the medical facts spoke for themselves. All of us conceived that the reaction in Tehran would have to be evaluated by the administration which alone had the relevant facts.

As for advice to the shah about whether or not to leave—the subject of other strange stories—the situation was as follows. With conflicting threats emanating from Tehran as to the impact on the safety of the hostages of a movement by the shah, Rockefeller, McCloy and I concluded that it was inappropriate for us to advise the shah. Rockefeller called the president on Nov. 15 to ask once again for the designation of an individual who could accurately convey the government's recommendations to the shah's entourage. McCloy stressed the need for this to the deputy secretary of state on Nov. 20; I repeated it to a senior White House official on Nov. 21. We were told the administration agreed with our approach. No such point of contact has yet been established. We were given no guidance; therefore we made no recommendations to the shah as to what he should do when and if his medical condition permits him to leave the United States.

I reaffirm my support for the effort to assure a measure of decency toward a fallen friend of this country. The issue of the shah's asylum goes not only to the moral stature of our nation but also to our ability to elicit trust and support among other nations—especially other moderate regimes in the area. I do not condone all the practices of the shah's government, though they must be assessed by the standards of his region and, even more, the practices of those who will sit in judgment. Yes, we must seek the best relations which are possible with the new dispensation in Iran. But we shall impress no one by engaging in retrospective denigration of an ally of a generation in his hour of need. We cannot always assure the future of our our friends; we have a better chance of assuring our own future if we remember who our friends are, and acknowledge what human debts we owe those who stood by us in our hours of need.

I hope this ends the controversy. I think it

is imperative that all Americans close ranks. Nothing will more strengthen the president's hand in pursuit of an honorable outcome than a continuing demonstration of national unity now and in the aftermath of the crisis. I shall do all I can to contribute to this end.●

VETERANS' DAY

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. SPENCE. Mr. Speaker, Veterans Day 1979 held special significance for many of us this year. Once again, the lives and property of the American people are being threatened. The takeover of the U.S. Embassy in Tehran by Iranian students on November 4 and the subsequent actions by the ayatollah's government have rekindled a spirit of concern and involvement in the American people. Many of us recognize the importance of keeping all our options open during this unprecedented crisis. We must not rule out military action as a last resort, and the situation in Iran brings to mind the many sacrifices which have been made by the men and women who have served our country in the past.

I had the pleasure of attending a Veterans' Day service at the Washington Street United Methodist Church in Columbia, S.C., on November 11, 1979. The minister, Rev. C. J. Lupo, Jr., delivered a very inspirational message that evening, and I agree with his comments that the people of the United States must remember the sacrifices of those who have given their lives so that the rest of us might live in freedom. We must do all we can in the days ahead to insure that these past sacrifices have not been in vain. Further, we must be willing to make similar sacrifices ourselves so that others may enjoy what we all too often simply take for granted. I believe that Reverend Lupo's message is an especially timely one, and I ask that it be reprinted at this point in the RECORD.

The message follows:

VETERANS' DAY

II SAMUEL 23:14–17

We Americans are funny people. We go to Chinese restaurants and buy bird nest soup, egg rolls, and chop suey or chow mein; we frequent Italian restaurants for spaghetti or pizza or manicotti; we buy Danish pastries and Greek salads and French crepes. Yet when we travel overseas, as tourists we rush to restaurants which advertise, "We serve American food", and a great many hot dogs are sold. Many Carolinians order "southern fried chicken" from yankee restaurants. When we are away from home the thought of things we enjoyed at home tempts us. This is one reason college students and people in military service enjoy so much boxes sent from home. I remember that when I first went away from home, my mother sent me a box of cookies after a few weeks. I don't think there was a whole cookie in the box when it got to me; we had to scoop up the crumbs in a paper, but they surely did taste good!

One time, when the Philistines were giving David a bit of trouble, he was encamped at the Cave of Adullam. The Philistine garrison surrounded Bethlehem.

David got terribly tired of the flat-tasting water from the storage tanks and began thinking about the wonderful tasting cool, clear water he used to get from the well at Bethlehem while he was still a shepherd, tending his sheep. And he said, "I don't know what I wouldn't give for a drink of water out of that well at Bethlehem."

Some of you who dieted on K rations for a while probably know how he felt. Did you never think: 'I'd give a month's pay for a nice, juicy, well-broiled t-bone steak?"

Some of David's soldiers heard him, and they slipped off, broke through the Philistine's lines, drew some water from the well—and carried it back to their commander.

What did he do? Gulp it down and say, "Thanks, I'll see that you get a promotion and pay increase?" Not at all—he poured it out!

Wasn't he grateful? Yes. He poured it out because he was grateful. He said, "These men risked their lives to bring this to me—this water might represent their life's blood which they placed in jeopardy to obtain it for me. The price was too much. I can't drink it"—and so he poured it out in a ritual service as an offering to God.

I think the story has meaning for us who gather for this memorial service. We meet in memory of those who gave their lives as the last full measure of their devotion to their country, and in honor of those who risked their lives. Even if they never faced real danger, they faced possible dangers, and they suffered interruption in their personal plans for family and for profession.

What shall we do with their sacrifice? What shall we do with its fruits?

David looked at the water, considered its cost in terms of the danger his men had faced in order to get it—and said, "I can't drink it." He felt that to have gulped it down in order to slake his thirst would have been a selfish, wasteful use of something which had become very precious.

The people in whose memory or honor we gather this night helped to purchase or preserve our freedom at the risk—and for some, the price—of their own life's blood. Surely we cannot—or at least ought not—make their sacrifice an occasion for selfish gain. Somehow to me it seemed wrong for labor unions to call strikes in defense plants and vital industries during war years. It seemed wrong to fortify a demand for higher wages by hampering the defense effort when others were fighting for their country at low wages and at great risk. Nor was it right for business tycoons and industrial magnates to conspire to fix prices that they might get rich off defense contracts. The sacrifice of a patriot's blood is too precious to be used for selfish gain.

But perhaps we need to make this more personal. In a real sense, these in whose memory we gather did this for us—for you and me. When one man loses his life rescuing another from danger, the one who is saved often feels: "I've got to live for two—for him and me." And this is something of the feeling we ought to have as we contemplate the thousands who lie in some Flanders' Field or on some atoll in the Pacific or beneath white crosses at Arlington, or whose body was blown to bits and could not be collected or identified. Their sacrifice was too precious for us to use it selfishly.

What did David do with the precious water, brought back at the risk of his soldiers' lives? He dedicated it to God. When he poured it out, it was not like pouring out rain water that has collected in a coke bottle. For him, it was a religious gesture, a way of offering it in sacrifice unto God.

So do we need to dedicate the results of their sacrifice.

In the Revolutionary War, our soldiers were fighting for independence—for freedom. The Declaration of Independence set forth some of their ideals. "We hold these truths to be self-evident, that all men are created free and equal, and that they are endowed by their Creator with certain unalienable rights, and that among these are the rights to life, liberty, and the pursuit of happiness." Today we must not interpret their sacrifice as gaining special favor for the privileged few nor for the majority as opposed to minority groups. Our pledge of allegiance reminds us that we stand for "liberty and justice for all." The resurgence of the Ku Klux Klan and the growth of Nazi and Fascist movements seem out of keeping with respect for some of the real heroes of our freedom and independence.

A little over a hundred years ago our nation experienced division and civil war. Today we can look back and give honor and respect to the men who fought on either side. In his address at Gettysburg, Lincoln reminded his audience: "Fourscore and seven years ago, our fathers brought forth upon this continent a new nation, conceived in liberty, and dedicated to the principle that all men are free and equal. Today we are engaged in a struggle to determine whether that nation, or any nation so conceived and dedicated, can long endure."

The result of the war was union—and we stamp on our coins today, "E pluribus unum"—one from many. The world itself has shrunk in size, and our nation is too small for divisive sectionalism. It ought not be—it must not be—North against South and East against West. Their sacrifice was in vain, if we do not learn how to live together in union.

The slogans of World War I were "The war to end wars" and "Make the world safe for democracy." But again the bloody sacrifices were in vain unless we dedicate ourselves in faithful work for peace, and unless we exert ourselves to make democracy work. Most people who study the philosophy of history agree that the seeds of World War II were planted at the end of World War I in the treatymaking and demand for reparations, and so on. If we today sow seeds of discord we make vain the sacrifice of those who died. I doubt that a democracy such as ours can be conquered from without unless it first suffers decay from within. When we fail to study the issues, fail to register our opinion, fail to exercise our citizenship responsibility by voting—we are helping to undermine the strength of our democracy, and to that extent render ineffective the sacrifice of those who fought that we might be free.

World War II did not have quite as many slogans, but we did talk a lot about the four freedoms: freedom from want, freedom from fear, freedom of speech, and freedom of religion. But we jeopardize their sacrifice when we selfishly seek an ever-ascending level of living despite the suffering and starvation of so many peoples around the world. Rather, we need to dedicate our technological know-how and mass-production techniques, and we need to share our wealth that we may help feed and clothe the hungry and naked peoples of the world. We must learn to curb our own appetites for more and more, and become more willing to give and share. And we need to make certain that in our own lives freedom of religion is not misinterpreted to mean freedom from religion. On our coins and in our pledge of allegiance we express our faith in God. We must likewise express this faith in our life—day by day.

We still remember fighting that was called "police action" in Korea, and a long-drawn out involvement in Vietnam which claimed the lives of many and caused so much disunity in our nation. Many of these veterans have not received a "welcome home", with thanks they deserve for responding to their nation's call.

When David expressed his longing for water from the well at Bethlehem, three men risked their lives to get it. We can't be completely sure of their motives. Perhaps they wanted to gain praise and promotion and advancement in rank. Or perhaps they were so loyal to their commander that his very wish became their command. Yet it really was not worth their risk.

Crises continue to erupt in many places: we learn there are Russian troops in Cuba; Americans are held hostage in our embassy in Iran. A government friendly to us is toppled, and a hard-line communist takes over. Some persons clamor for immediate, forceful action, while others support a reasoned, rational response.

I think we need not fear that we shall lack volunteers for any real and special need that might arise, but we do need to do our best to make sure the cause for any call is worth the risk involved. If we call on our citizens for this kind of sacrifice, it must be for worthy goals.

You remember Sherman's definition of war, don't you? "War is hell," he said. Let's not forget that when we honor those who fought bravely and well and who gave or risked their lives. Rather, this sacrifice ought to remind us of war's costs—not in tanks and guns—and now in guided missiles and atom bombs, but in human life. And so we might pray with Kipling,

"Lord God of hosts, be with us yet—lest we forget, lest we forget."●

DEVELOPING FUTURE LEADERS

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. LLOYD. Mr. Speaker, community leaders who work primarily in developing our future leaders, today's youth, deserve the highest commendation. Orrin Widman of Rancho Cucamonga is such a man and he spends almost every minute of his spare time working with young people. The following excerpts are from an article in the California Ontario Daily Report by Dennis Kelly:

For starters, the 51-year-old Alta Loma resident has been on the board of directors for the West End Boys Club the last three years and in January was installed as president.

He has been youth services chairman of the Rancho Cucamonga Kiwanis Club the last three years. The night he was interviewed he was being installed as that club's president. . . .

As part of his club activities, he organized the first Kiwanis sponsored Special Olympics at Chaffey College. The May 5 event drew 325 contestants, down from the 475 who registered because the gas crunch had just hit.

Next year—he is chairman again—he expects a crowd of 800 to 1,000 mentally retarded youngsters to take part.

Widman is a past president of the Miss Softball America league for girls from 7 to 17. In addition, he volunteered as an umpire three games a week . . .

Even though he doesn't look the part with crewcut hair and a lean figure, Widman has even played Santa Claus the last three years. Last year alone, he had 2,000 kids come sit on his lap and tell what they wanted from St. Nick.

He is also on a citizens committee that is trying to put in concrete walks around Domingua High School in Ontario for the trainable mentally retarded. When it rains, the students often face the prospect of stumbling in the mud and dirt.

Widman says he gets involved because he feels that we all should pay rent to our communities for the privilege of living there.

"If we all stayed in our houses and front yards, our communities wouldn't grow and expand," he said.●

HOW TO LIVE

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. MOFFETT. Mr. Speaker, it was Martin Luther King's belief that: "It is not how long a man lives, but how well."

I feel, Mr. Speaker, that Dr. King's biographer, the historian Lerone Bennett, places that statement in the correct historical light for today's vote.

Bennett wrote:

By resurrecting that truth and flinging it into the teeth of our fears, by saying it repeatedly and by living it, the Reverend Martin Luther King, Jr. has taught us, all of us, Black men and White men, Jews and Gentiles, not only how to die, but also, and more importantly, how to live.

On this day, in which we consider legislation to commemorate January 15—the birthdate of Martin Luther King—a national public holiday, I wish to remind my colleagues of the many accomplishments of the man who, during our Nation's civil rights movement, spoke for all people by saying: "Black and White together We Shall Overcome."

Dr. King's politics were harnessed to an overriding moral force, as he led the Birmingham movement in 1963 to end legal segregation, the Selma movement to win full political rights, and the other campaigns of conscience in Montgomery and elsewhere to end segregation in public places, overcome housing and school discrimination, and win a better life for all people.

In February 1957, in New Orleans, La., the Southern Christian Leadership Conference was founded and Dr. King was elected president, and held the office for the rest of his life.

Through the SCLC, the cornerstone of the King movement policy of civil disobedience was formed. Dr. King believed that if the people had to go to jail for freedom, the leaders must go to. It was his profound belief that, "* * * unearned suffering is redemptive and that suffering may serve to transform the social situation." As a result of his faith in the will of the American people to be truly free, King organized sit-ins, freedom rides, and founded the Student Nonviolent Coordinating Committee.

Dr. Martin Luther King possessed many qualities which touched the hearts of many, the world over, but the quality which reached beyond all others was his sense of hope, and his courage in acting on the hope, whatever the obstacles. It was this quality which allowed Dr. King to reach out to millions; it was this quality which prompted him to speak of hope on the steps of the Lincoln Memorial in August 1963:

This is the faith I go back to the South with. With this faith we will be able to hew out of the mountain of despair a stone of hope * * * (and) transform the jangling discords of our Nation into a beautiful symphony of brotherhood.

Mr. Speaker, Dr. Martin Luther King was a compelling orator who moved millions in his world travels and nonviolent struggles. He was a man of the people, marching with them in the dust and the heat, in the rain and the cold. He was, by any standard, a man of boundless faith and courage.

I urge the Members of the 96th Congress to honor Dr. King, this man who taught so many how to live, and live with dignity, with a national holiday on January 15.●

IF THE SABER DOESN'T RATTLE, IT'S BECAUSE THE HAND IS FIRM

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. BARNES. Mr. Speaker, I call the attention of my colleagues to the commentary by Haynes Johnson in yesterday's Washington Post, "If the Saber Doesn't Rattle, It's Because the Hand is Firm." Mr. Johnson has well articulated the record of U.S. leadership in world affairs over the past several decades.

Our country has made mistakes in these decades. We have not always chosen the right side, and sometimes we have acted when we should not have acted. But on the whole, I believe the special quality of American foreign policy in the modern era has been our willingness to put the strength of our resources behind the courage of our convictions—to act when we believed it was necessary to act.

That, Mr. Speaker, is more than can be said of many nations, and few major powers can look back over the record of these decades and feel as great pride as we can of our performance in times of challenge. It is too easy to view each immediate challenge as an issue unto itself, and to reach decisions based on short-term national interest. It is more difficult to react from a sense of long-term responsibility for the future, even when that requires short-term inconvenience or sacrifice.

I think the United States has more often done the latter, and our allies, always quick to say "tut, tut," have too often done the former. I am grateful to Haynes Johnson for setting the record straight. His commentary follows:

[From the Washington Post, Dec. 2, 1979]

IF THE SABER DOESN'T RATTLE, IT'S BECAUSE THE HAND IS FIRM

(By Haynes Johnson)

LONDON.—It's not an easy time to be an American abroad. Our allies maintain a discreet distance from us, giving lukewarm support in public about our ordeal over Iran but tut-tutting somewhat gleefully in private about how far the mightly Americans have fallen. Our good neighbor to the south, Mexico, suddenly closes the door at a critical

moment, adding to our sense of isolation. Our hopes, if any, for real help from the United Nations remain modest indeed; it takes that august body a full month even to get around to considering so elemental a threat to all diplomats and all national sovereignty. Everywhere, it seems, you hear pitying, but smug (if not secretly pleased) remarks about America's weakness, America's lack of resolve, America's impotence.

"Look what happens," said a financier at dinner. "Your embassy is burned and two Marines are killed in Pakistan, and you do nothing." And even some of our own most respected commentators bemoan what they believe to be American decay. George F. Will sees "Vichyite behavior" in the actions of some of our released embassy hostages and pronounces it "not the result of two weeks of captivity in Iran, but of years of absorbing the spirit of a liberal culture." He adds: "There is too much of the France of 1940 in the United States of 1979."

Here, at least, is one American who bridles at all these assertions. The history of these last 40 years testifies to quite a different reading of America's willingness to sacrifice to both its resoluteness and exercise of responsibility in the world.

Strolling through Mayfair the other day I passed an old church with a tablet embedded in the stone walls. It was not, as I first assumed, a memorial to some ancient event. "Inside this church," it read, "the armed forces of the United States of America prayed for divine guidance during the war years 1939–45 and gave thanks for the victory of the allied powers."

There weren't many Americans in Britain when World War II began 40 years ago and at home the United States was wrestling with whether to remain isolationist or become more active internationally. The outcome was uncertain. Even a year later, when events worsened and war for the United States became a virtual inevitability, our armed forces were conducting maneuvers with wooden rifles and we were spending less than $1.5 billion for national defense. Authority to draft American citizens was achieved by only a one-vote margin in Congress. Some of the nation's most noted names were warning against American involvement in any European wars.

In the decade since, the United States has assumed perhaps more international burdens than any other society in history. The expenditure of lives and national treasure, given freely by the citizenry over so long a period, has been unprecedented.

We left nearly half a million dead out of our armed forces of 16½ million during the war. The cost in dollars alone was more than 250 billion. After the war, we rebuilt our former enemies' industrial plants from the ground up. We provided the economic salvation for Europe through the expenditure of more billions in the Marshall Plan. We served as the military shield for Europe, employed a nuclear umbrella of defense and stationed hundreds of thousands of American troops on the line between East and West (and 300,000 of them are still there).

And all during that period, Americans spent the greatest amount of their national resources for defense and the aid of countries around the world—and they continued to die in service abroad. Seven million Americans served for the three years of the Korean War, and 55,000 of them died.

After that, we maintained a standing armed force of some 3 million, dispatched the fleet to the Mideast, the Marines into Lebanon, and stood watch around the world during the years of peace between Korea and Vietnam. Then, for nearly 12 years, we had some 10 million people under arms as the initial trickle of American blood in Southeast Asia turned into a hemorrhage. This time, 57,000 more Americans died in service and another hundred thousand became casualties. We are still paying the economic price of that drawn-out and tragically misguided conflict in the form of an inflationary spiral that began in the early massive mobilization over Vietnam in the mid-1960s.

I don't recite all this to strike a jingoistic note. But I do insist that the record of all the years from the beginning of World War II to the present stands as a source of national pride. And it marks a historic change; from the days of the first Neutrality Act in 1794, stating U.S. desire to keep out of a war between France and England, the American people and their policymakers traditionally shunned a military role abroad. These last 40 years have ended that forever.

Someone asked me, somewhat belligerently, during this brief visit to London, if it weren't true that Americans had become too soft to fight. I replied, with some heat of my own, that such a view was nonsense.

The real question is different. Dr. Johnson was right, as always, and probably never more so than in his remarks about patriotism being the last refuge of scoundrels. But there are many forms of patriotism. The easiest, and cheapest, as old Sam knew well, involves waving the flag and blaring the trumpets. The more difficult requires exercising restraint in the face of a flagrant provocation and yet remained measured and strong. Which was just the example President Carter set in his news conference this week.

He was not mistaking lack of military action for weakness and neither, I suspect, are the American people. In the perspective of America's acts during these difficult last two generations, the present national response to the agonizing crisis in Iran should bring a renewed pride in the country.●

TRIBUTE TO CASIMIR PULASKI

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Ms. MIKULSKI. Mr. Speaker, I would like to take this opportunity to commemorate the 200th anniversary of the death of a great hero of the Revolutionary War. Gen. Casimir Pulaski died while in the service of our country aboard the brig *Wasp* on October 11, 1779.

To honor this occasion, the Polish Association of Maryland, in cooperation with the Maryland State Society of the Sons of the American Revolution and the War Memorial Commission, unveiled a portrait of Pulaski and his stallion, just prior to his death during the Battle of Savannah.

The artist, Stanislav Rembski, is a Baltimore portrait painter who came to this country over 50 years ago. His most recent work, "Count Pulaski, The Father of the U.S.A. Cavalry," was unveiled following Mr. Rembski's 83d birthday.

The portrait of General Pulaski magnificently conveys the character of a man who, bereft of his homeland, had faith in the victory of freedom. We must not forget this valiant hero's courageous efforts in behalf of our fight for freedom. We must also express our gratitude to Mr. Rembski for so brilliantly capturing the essence of Pulaski.●

ILLEGAL ALIENS INSURED MINIMUM WAGE

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. IRELAND. Mr. Speaker, my good friend, Florida State Representative Gene Ready (Democrat of Polk County) recently brought to my attention an article published in the Tampa Tribune on November 2 regarding efforts by the Labor Department to insure that illegal aliens receive the minimum wage. A copy of the article is printed below.

While the Immigration and Naturalization Service is working on returning illegal aliens to their native countries, the Labor Department is trying to insure that these same aliens receive the minimum wage in this country.

Instead of addressing the real problem of trying to stop illegal aliens from entering our country by identifying them and deporting them, we are concerned that they receive the minimum wage for jobs they hold illegally.

I share State Representative Ready's distress about this and urge the Labor Department to take another look at their hypocritical policy.

The article follows:

GOVERNMENT WILL TRY TO INSURE THAT ILLEGAL ALIENS GET FAIR WAGES

MIAMI.—Possibly as early as January, as many as 15 U.S. Labor Department investigators may be working out of Miami, making sure illegal aliens who manage to get illegal jobs also get fair wages.

"The prime target will be employers who exploit illegal aliens," says Dick Robinette, assistant administrator at the department's regional offices in Atlanta.

He said the task force of 10 to 15 investigators will be similar to ones active in Houston and in New York City's Chinatown. Those task forces have found some employers paying illegal workers less than half the $2.90-per-hour minimum wage.

Illegal aliens are not supposed to take jobs at any pay, but in an apparent quirk of U.S. law, all workers—illegals included—are guaranteed minimum wages. Employers caught doing otherwise can be hauled into court if they don't agree to pay back wages.

Robinette said he was 99 percent sure Miami would get the task force. He said it was a natural selection.

"We feel that Miami is the best area in the Southeast for this strike force because of the high concentration of low-paid workers, many of them illegal aliens from Latin America and the Caribbean," he said Wednesday.

Estimates vary as to the number of illegals in the area. The U.S. Department of Immigration and Naturalization says it ranges from 50,000 to 300,000.

Robinette said the task force would concentrate on such businesses as hotels, motels and restaurants. He also said many illegal aliens are hired by "transient employers who open up a business and close it after making a quick profit."

Labor department statistics show that in the year ending Sept. 30, the department found 8,600 employes, including illegal aliens, who were owed almost $2 million in underpayments. Employers agreed to pay $1.4 million of that to 7,000 of the workers, and department spokesmen said court action is being planned to recover the rest.

Robinette explained that any illegal employment discovered by the task force would not automatically mean deportation for the illegal alien. Immigration authorities and the courts would have to decide that.

Fred Worfe, who heads the Houston strike force, said his 10-member squad was formed because most illegal workers "are so intimidated, by circumstances or by the employer, that they do not complain to us."

"We found a case where the employes were all undocumented workers and were being charged $25 twice a month by the foreman just for the privilege of working there," Worfe said.

"They couldn't leave the premises unless they went in his truck. He would bring them whatever they wanted, beer or Cokes or cigarettes, and charge them extra money for that. In a sense, they were his captives." ●

WASHINGTON REPORT

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. PEASE. Mr. Speaker, today I wish to insert in the RECORD two columns which I recently wrote for my constituents, summarizing my views on some of the most troubling aspects of the energy crunch our Nation is facing. In these two columns, I discussed the effect that foreign oil dependence is having on American foreign policy, and on the domestic American scene, and the need for greater attention to conservation and other "low-techology" methods of lessening our need for foreign oil. In the hope that these columns may prove interesting and, perhaps, thought-provoking, I would like to share them with my colleagues.

The columns follow:

WASHINGTON REPORT

(By DON J. PEASE)

[U.S. Congressman, 13th District]

The Iranian situation illustrates vividly the way in which our foreign policy decisions get mixed up with our dependence upon imported oil. Try as we might, we can't separate the two entirely.

Another illustration will come up soon when Congress gets a request from the Carter Administration to sell a particularly sophisticated and lethal tactical weapon to Saudi Arabia "for the protection of the Saudi oil fields."

Ordinarily, Congress would question sharply that proposed sale.

But do we have a choice? Earlier this year the Saudis set their desired oil production level at 8.5 million barrels per day (mbpd). This summer, as a favor to us, and at our urgent request, they agreed to increase their daily production to 9.5 mbpd for a period of six months.

If the Saudis drop back to 8.5 mbpd, it could set off another world scramble for oil and drive already-sky-high oil prices up even further.

Dare we in Congress risk that result over an arms sale to a friendly nation willing to pay cash? Even though the Saudi need for the arms may seem doubtful, we'll probably approve it. With Saudi Arabia supplying roughly 20 percent of our daily oil imports, the oil consideration is too important.

The foreign policy angle is, of course, only one way—and not at all the most bothersome—in which we Americans suffer because we are hooked on foreign oil to the tune of over 8 mbpd out of our total usage of more than 18 mbpd.

Consider:

The disruption of our economy, particularly the auto industry which is so important to Ohio, caused by a dreadful combination of high oil prices and uncertain supplies.

The inflationary impact of constantly-rising OPEC oil prices. Economists say that 5 percentage points of our current inflation rate are the direct result of higher energy costs.

The continual erosion of the value of the dollar against gold and foreign currencies like the Japanese yen and German mark. Last year we paid out $45 billion for imported oil. This year it will be close to $70 billion.

Can we end this dependence on foreign oil which causes us so much grief?

Not very soon!

In fact, President Carter may have trouble keeping his promise, made during his energy speech in August, not to allow our dependence to grow even greater. Never again, said the President, will be import more than 8.2 mbpd. But can that promise be kept?

Bear in mind that in 1970 we were importing just over 3 mbpd of oil (and paying an unbelievably low $4 billion a year for it). In eight years, our demand grew by 5 mbpd. If demand did grow by 5 mbpd in eight years, what makes us think our demand for imports can be kept steady for the next eight years? In my view, we've being far too optimistic.

Congress is embarking on a crash program for the development of synthetic fuels, mostly from coal. But even though we will commit billions of dollars to synthetic fuel production, production is projected to reach 500,000 barrels per day by 1985 and 2 million barrels per day by 1990. Helpful, yes, but hardly a complete solution.

Other measures already passed by Congress will help reduce our oil consumption by encouraging conservation, requiring better auto mileage, requiring conversion to coal of industrial boilers, etc. But we're kidding ourselves if we think they will do the whole job.

No, the truth is this. As long as we Americans take a "business as usual" attitude toward energy, we will be very lucky to hold our imports down to 8.2 mbpd. And even if we don't exceed President Carter's target ceiling of 8.2 mbpd, we will remain for the next 10 years just as vulnerable as we are today to the whims of far-off countries which supply us with our daily "fix" of imported oil.

Last week, when the Iranian takeover of our embassy occurred, several constituents telephoned me in white hot anger. "You tell those Iranians," I was told, "that we don't want their oil and we won't buy it, no matter what adjustments we Americans have to make at home."

If Americans can develop and sustain that kind of resolve, solutions to our energy woes will be a lot faster in coming.

WASHINGTON REPORT

(By DON J. PEASE)

[U.S. Congressman, 13th District]

Now that the U.S. will no longer purchase oil from Iran, we will have to pay a lot more attention to energy conservation in the years ahead.

"Conservation? Oh, yes, conservation. You're right, we'll certainly have to do more with conservation in the coming years."

If a friend gave you that kind of response, you would be understandably skeptical about the friend's commitment to conservation. You might expect lip service to be paid, but not much more.

Distressingly, I sense something of that attitude among the American people, in the Carter administration and in the Congress.

For example, I recently attended a briefing at the White House with President Carter, Secretary of Energy Charles Duncan and Secretary of the Treasury William Miller. In their presentations, each made passing references to conservation. But the clear emphasis of each was on synthetic fuels—and the President's proposal to commit billions and billions of dollars for a crash program of extracting liquid fuel from coal, shale, tar sands, etc.

In the U.S. Congress, conservation does come in for much discussion and even considerable action. In its concern about energy, Congress is moving on every conceivable front. But the big money is going to high-priced projects like synthetic fuels.

The situation says two things about the United States.

First, we are not a conserving society. We've never had to be. Over 200 years, our remarkable stock of natural resources encouraged us to be profligate.

Second, we are a high-technology society. We've been fabulously successful over the years in solving our problems and opening new horizons through science and technology. When new problems arise, like our present energy crisis, it is understandable that Americans would look to high technology solutions like synthetic fuels and nuclear power.

Indeed, that attitude showed up strikingly on the House floor earlier this month on a bill to push development of a solar satellite. Of all the potential energy solutions, solar energy lends itself to low technology as well as any. Solar panels already developed could provide hot water and heat for millions of American homes, stores and factories.

But the House of Representatives was determined to heap money on development of a futuristic solar satellite which would collect the sun's rays in space and send them to the earth via laser beam. The plan, which would require the construction in space of satellites six miles wide and 12 miles long, could cost up to $2.5 trillion—five times the total annual federal budget.

So it's no wonder that a simple idea like conservation fails to capture the imagination of congressmen or the public.

Yet conservation is our very best bet for short-run relief from our energy woes. Synthetic fuels, in any significant quantity, are 10 years off. Solar satellites are 25 years off at the earliest. Conservation is available right now.

Think, for example, of the millions of American homes which lack sufficient insulation. Think of the diesel fuel which is wasted by trucks which "deadhead" empty on return trips. Think of the steam and hot water which industrial plants let escape every day.

And don't believe that conservation is small potatoes. A widely-respected new Harvard University study states that conservation could save energy equivalent to 4.4 million barrels of oil per day by 1990 without cutting back at all on our standard of living. Compare that with the 8 million barrels per day (mbpd) we are now importing and with the 2 mbpd which we hope we can get from synthetic fuels by 1990. Clearly, energy conservation has great potential and, I repeat, it's available now.

But lip-service by government leaders won't produce the energy savings which are available through conservation. Nor will the variety of token conservation programs which Congress has enacted thus far.

Rather, the President, the U.S. Department of Energy, the Congress and the people need to put as much commitment and faith and money into conservation as we do into synthetic fuels, solar satellites and other high-technology solutions. We can do it if we but have the will and the common sense to see the easiest, the fastest and probably the least expensive way to attack our energy crisis. ●

LIST OF KEY VOTES OF CONGRESSMAN DON J. PEASE, 1ST SESSION OF 96TH CONGRESS

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. PEASE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

LIST OF KEY VOTES OF CONGRESSMAN DON J. PEASE, FIRST SESSION OF 96TH CONGRESS

(38) Bill to redefine U.S. relations with Taiwan in light of recognition of the People's Republic of China. Yes. Passed, 345–55.

(45) Amendment to require the Council on Wage and Price Stability to include public representatives in monitoring compliance with anti-inflation program. Yes. Failed, 128–282.

(47) Bill to extend the council on wage and price stability for one year, through September 30, 1980. Yes. Passed, 242–175.

(62) Conference report on bill to redefine U.S. relations with Taiwan in light of the recognition of the Republic of China and recognition of the People's Republic of China as the sole legitimate government of China. Yes. Passed, 339–50.

(73) Amendments to require the House and Senate Budget Committees to report balanced budgets for FY 1981 and FY 1982 this year and the next two years, and to show the consequences of such budgets. Yes. Passed, 209–165.

(78) Amendment to delete $11.7 million in economic aid to Panama in FY80. No. Passed, 246–150.

(88) Amendment to remove the Peace Corps from ACTION. No. Passed, 276–116.

(89) Amendment to cut the FY80 authorization by 5 percent in the International Development Cooperation Act. Yes. Passed, 259–135.

(91) Bill to authorize $4 billion for FY80 for international development and economic assistance programs of the Agency for International Development. Yes. Passed, 220–173.

(100) Conference report on bill to extend the Council on Wage and Price Stability for one year, through September 30, 1980. Yes. Passed, 240–168.

(108) Amendment to restore $200 million in FY 1979 budget authority and outlays for the Targeted Fiscal Assistance Program, and add $25 million in FY79 budget authority and $20 million in outlays for disaster loans. No. Passed, 224–197.

(109) Amendment to maintain the FY79 spending cap on the food stamp program. No. Failed, 146–276.

(113) Amendment to increase the FY1980 level of defense spending by $2.6 billion in outlays, to a total of $137.8 billion in budget authority and $125.1 billion in outlays. No. Failed, 188–209.

(115) Amendment to reduce budget authority and outlays in FY80 by $1.1 billion representing cuts in government travel, filmmaking, paperwork, overtime, and other allowances. Yes. Passed, 402–3.

(117) Amendment to balance the budget by reducing the outlays ceiling by $17.7 billion, to 51.5 billion, and raising the revenue floor by $7.2 billion. Amendment also to assume a net tax cut of $10 billion. No. Failed, 186–214.

(124) Amendment to add $2.3 billion in FY 1980 budget authority and outlays to restore funds for general revenue sharing for state governments. No. Failed, 190–195.

(129) Amendment to increase FY 1980 revenues by $1.2 billion, by recommending curtailment of foreign tax credits for oil companies. Yes. Passed, 355–66.

(130) Amendment to restore $2.3 billion for general revenue sharing for states, and cut $2.3 billion in foreign assistance programs. No. Failed, 199–214.

(135) Amendment to reduce FY80 budget deficit to $15.2 billion and to assume a net tax cut of $6.5 billion. No. Failed, 191–228.

(136) Amendment to reduce FY80 budget deficit to $18.7 billion and to assume a net tax cut of $6.5 billion. No. Failed, 198–218.

(137) Amendment to generate $1 billion in additional revenues in FY 79 and $4 billion in additional revenues in FY80 by reducing tax expenditures. Yes. Failed, 130–277.

(139) Resolution to approve the President's gasoline rationing plan. Yes. Failed, 159–246.

(145) Amendment to increase funds for emergency fuel assistance for low-income families. No. Failed, 179–222.

(148) Adoption of the First FY80 Budget Resolution setting budget authority at $605.1 billion, outlays at $529.9 billion, revenues at $509 billion, and the deficit at $20.9 billion. Yes. Passed, 220–184.

(152) Amendment to increase from 53 million to 67 million the number of acres of Alaskan land to be preserved as wilderness. Yes. Passed, 268–157.

(158) Bill to create 125.4 million acres of national parks, wildlife refuges, and forest in Alaska and designate 67 million of those acres as wilderness. Yes. Passed, 360–65.

(175) Bill to authorize $1.47 billion to support the Israeli-Egyptian peace treaty. Yes. Passed, 347–28.

(176) Amendment to delete $265 million for development of the MX missile. No. Failed, 89–311.

(178) Bill to provide $1.46 billion in additional funds for the Defense Department for FY 1979 and to encourage full-scale development of the MPS basing system for the MX missile. No. Passed, 314–72.

(184) Amendment to add $125 million to the FY79 budget in grants for mass transportation. No. Failed, 127–270.

(186) Amendment to eliminate Davis-Bacon prevailing wage requirement for construction funded under the Housing and Community Development Act of 1979. No. Failed, 155–244.

(203) Amendment to the Department of Education Organization Act to make daily opportunities for voluntary prayer and meditation in public schools a purpose of the proposed Education Department. No. Passed, 255–122.

(205) Amendment to Department of Education Organization Act to prohibit the new department from requiring busing to achieve racial balance as a condition for receiving federal assistance. No. Passed, 227–135.

(210) Amendment to Department of Education Organization Act to ensure that no one is denied access of education opportunities because of racial or sexual ratios or quotas as a purpose of the proposed Education Department. No. Passed, 277–126.

(211) Amendment to Department of Education Organization Act to transfer the Defense Department overseas dependent schools. No. Failed, 178–230.

(214) Admendment to establish an Office of Bilingual Education and Minority Languages affairs in the proposed Department of Education. Yes. Passed, 290–124.

(225) Amendment to reduce from 7% to 5.5% the size of the cost-of-living pay increase for the members of Congress, judges, and high level personnel in the legislative, judicial, and executive branches. Yes. Passed, 396–15.

(227) Bill to provide a total of $562.9 million in new budget authority for congressional operation and $389.9 million for other agencies for FY 1980. Yes. Failed, 186–232.

(267) Amendment to provide for annual payments to Panama from Canal reserves, to authorize property transfers to Panama, to require Panama to pay for water, electricity, and other services it purchased from the Canal Commission. Yes. Passed, 255–162.

(269) Amendment to require Panama to pay the $7.5 million cost of U.S. military construction incurred as a result of implementing the treaties. No. Failed, 210–213.

(271) Motion to require Panama to pay for all U.S. costs in implementing the Canal treaties. No. Failed, 210–216.

(272) Bill to implement the Panama Canal Treaties of 1977. Yes. Passed, 224–202.

(273) Motion opposing a $50 million military grant to Turkey. No. Passed, 303–107.

(283) Amenament to prohibit the eight largest oil companies from contracting with the government to provide synthetic fuels. Yes. Failed, 127–263.

(284) Bill to encourage production of the equivalent of 500,000 barrels per day of oil by 1985 from synthetic fuels. Yes. Passed, 368–25.

(292) Amendment to cut $10.3 billion in FY80 funding for OSHA. No. Failed, 177–240.

(293) Amendment to prohibit federal funding of abortions except where the mother's life is endangered, where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to full term, and for victims of rape and incest. Yes. Failed, 180–241.

(294) Amendment to prohibit OSHA inspectors from visiting a work site within six months following an inspection by a state and health agency. No. Passed, 236–176.

(302) Amendment to reduce the windfall profit tax rate from 70% to 60% for marginal wells, and to end tax on newly discovered oil at the end of 1990. No. Passed, 236–183.

(303) Amendment to extend for 13 months the tax on oil discovered before 1973. Yes. Failed, 172–241.

(305) Amendment to require the termination of sanctions against Zimbabwe, Rhodesia by Dec. 1, 1979, and to permit an extension past the date only with congressional approval. No. Failed, 147–242.

(306) Bill to lift sanctions of Zimbabwe-Rhodesia by October 15, 1979, unless the President determines it would not be in the national interest to do so. Yes. Passed, 350–37.

(314) Bill to create a Cabinet-level Department of Education into which would be transferred the education programs now administered by the Education Division of HEW. Yes. Passed, 210–206.

(316) Motion expressing sense of Congress that free and fair elections had been held in Zimbabwe-Rhodesia and the President should lift economic sanctions against that nation. No. Failed, 168–248.

(328) Amendment to prohibit the use of funds by the Justice Department to facilitate the busing of students, except for those requiring special education resulting from physical or mental handicaps. No. Passed, 209–190.

(337) Bill to provide $1.6 billion for final construction of Washington's Metro subway system. Yes. Passed, 261–125.

(356) Amendment to prohibit the use of U.S. funds contributed in FY80 to the International Development Association to finance any assistance or reparations to Vietnam. No. Passed, 291–122.

(372) Motion to discharge the House Judiciary Committee from further consideration of the Constitutional amendment on busing and bring it to the House floor for a vote. No. Passed, 227–183.

(373) Motion to close debate and bar amendments to the original version of the Constitutional amendment on busing which have prohibited busing to relieve overcrowding schools, to respond to schools being closed by strikes, and for other purposes and which would have empowered Congress "to insure equal educational opportunities for all students." Yes. Failed, 172–251.

(374) Proposed amendment to ban busing

which read as follows; "No student shall be compelled, on account of race, color, or national origin, to attend a public school other than the public school nearest to the residence of such student which is located within the school district in which such student resides and which provides the course of study pursued by such student." No. Failed, 209–216.

(384) Amendment to provide for a one-House veto within 30 days of submission of a stand-by gas rationing plan by the President. No. Passed, 232–187.

(390) Amendment to terminate funding in FY80 for the Clinch River fast breeder nuclear reactor, and to authorize a study for an alternative breeder reactor. Yes. Failed, 182–237.

(399) Motion to block expulsion of Congressman Charles Diggs from the U.S. House of Representatives. Yes. Passed, 205–197.

(404) Resolution to censure Rep. Diggs for violations of House Rules. Yes. Passed, 414–0.

(408) Amendment to provide for a one-House veto of a stand-by gas rationing plan proposed by the President and to delete the provision for a one-House veto of the implementation of a stand-by gas rationing plan. No. Failed, 192–232.

(409) Amendment to delete requirement which provided for a one-House veto of the actual stand-by gas rationing plan in addition to the one-House veto of the implementation of the plan. Yes. Passed, 234–189.

(424) Bill to authorize the President to implement gasoline rationing, subject to a one-House veto, if the President found that the nation had experienced a 20 percent shortage for 30 days. Yes. Passed, 263–159.

(427) Amendment to approve the FY80 appropriation for construction of the new Hart Senate Office Building. No. Passed, 214–184.●

KING'S DAY REGATTA

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. BENNETT. Mr. Speaker, the Rudder Club of Jacksonville, Fla., deserves great credit for their leadership in putting on the annual King's Day Regatta in Jacksonville, weekend before last. Ed Burroughs sailed his Stoner 32, "Wild Hare" over the finish line to get his name etched on the Carl Z. Suddath Trophy as the first boat in. His name will be there along with that of the winner of the Midget Ocean Racing Conference class, Jay Cummings in his J–24 "Sage." Burroughs had trailed Steve Henderson's "Indigo" for almost the entire race but his boat is lighter weight and the fact that Henderson tacked early and had to give way to Burroughs at the finish line helped Burroughs to cross the line first.

In the light wind Burroughs took 3 hours and 17 seconds to cover the 5½ nautical miles. Cummings came across in 3 hours and 3 minutes, while Bob Rives in another JX24 came in third. Henderson came in fourth overall, but second in the Performance Handicap Rating Fleet "A" class, to Burroughs at 3 hours and 10 minutes and 40 seconds.

Terry Brady, Dr. Fred Vontz, and Charlie Johnson did an excellent job in putting the regatta on for the Rudder Club and Alicia Dorsie-Frank, president of the Florida Daughters of the British Empire did an excellent job in the festivities in connection with the regatta, sponsoring a banquet at the Florida Yacht Club, which was addressed by Adm. R. M. Burgoyne, British Naval Attaché, who referred to the "close and warm association and friendship that exists today between the United States and the United Kingdom."

A principal purpose of the regatta is to strengthen American-British ties of friendship and understanding. The annual event commemorates the first King's Day Regatta at the same location in the St. Johns River, when the King's birthday was celebrated there by a regatta in 1776, just prior to the signing of the Declaration of Independence. Then the area was a British province.

As Admiral Burgoyne said: "The essential basis for the survival of the western way of life is the closest cooperation between the United Kingdom and the United States, the countries which gave us Magna Carta and the Declaration of Independence." Events like Jacksonville's annual King's Day Regatta can increase our friendly bonds and cooperation.●

NOT ALL SENATORS SUPPORT NOISE BILL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. ANDERSON of California. Mr. Speaker, the House and the Senate are now in conference on H.R. 2440. H.R. 2440 is a simple House bill authorizing the expenditure of discretionary funds in fiscal year 1980 under the airport development aid program. The Senate version of H.R. 2440 is a complex and controversial bill aimed at gutting Federal regulations designed to significantly reduce the impact of aircraft noise. The Senate version is an industry bailout of the worst kind. The Senate conferees would have us believe that every reasonable person supports their bill. I know of many reasonable Senators who do not share the views of their conferees. Today, I received a letter from 16 Senators expressing their strong opposition to waiver provisions of H.R. as amended by the Senate. The text of this letter follows:

U.S. SENATE,

Washington, D.C., November 28, 1979.

DEAR CONFEREE: We write to lay before you some important facts on three provisions of the Senate version of H.R. 2440, the Airport and Airway Development Act of 1970, and hope they may be of aid to you in resolving these issues.

In general, FAA regulations provide that all non-complying aircraft operating in the United States must be quieted—through various methods (replacement, re-engining and retrofitting)—in stages to be completed. for two and three engine planes, by January, 1 1983, and for four engine planes by January 1, 1985.

THE TWO AND THREE ENGINE EXEMPTION

First, under the Senate version two and three engine airplanes that come within five decibels of the rules are exempted from the noise-reduction requirements. This gives away the noise reduction expected from the FAA limits and also sacrifices the one to three decibels below the FAA limits that implementation of noise-reduction technology would bring. We read the experts to agree that a six-to-eight decibel reduction brings perceptible relief.

THE SO-CALLED "NEW TECHNOLOGY" WAIVER

Under the so-called "new technology" waiver of the Senate version of H.R. 2440, four engine fleets are given a mandatory waiver from compliance with the anti-noise rules by merely signing a contract to buy complying aircraft by January 1, 1985—the present deadline for full compliance. Since normal delivery time is 3½ years, full compliance would not be reached until at least mid-1988, and the interim compliance deadline of January 1, 1983, for one-half the four engine fleet could be ignored.

This delay is unwarranted; necessary technology to build the replacement aircraft is available now. Complying aircraft can be ordered immediately and many carriers have already done so.

Moreover, reengining is a viable option for the older four engine aircraft. (New engines can result in an over 20 percent reduction in fuel consumption and an increased plane life of 10 years).

THE SO-CALLED "GOOD CAUSE" WAIVER

The third vitiating provision of the Senate version of H.R. 2440 is the so-called "good cause" waiver. This gives discretionary authority to the Secretary of Transportation to provide a waiver if non-compliance is due to "good cause". But the FAA already has the power to waive any of its regulations if such a waiver is in the "public interest".

Nor is there danger of a slavish adherence to the rules. As FAA Administrator Langhorne Bond stated in testimony before the House Aviation Subcommittee: The regulation includes provisions for granting exemptions when a true hardship might result. . . . We are fully aware that narrow-sighted insistence on adherence with any regulatory requirement could work against the public interest.

Aircraft noise is not a big city problem alone. Small and medium sized communities with airports will also be adversely affected if the noise rules are not implemented on schedule. 75% of the airports in the country would receive no noise relief if two and three engine aircraft are exempted. In addition, larger airports are more likely to put on additional restrictions on flights such as curfews and limitations on numbers of flights. If airlines are required to eliminate flights, they may well eliminate flights from smaller cities.

The cost of achieving the noise reduction objectives contemplated by these aircraft noise rules is not great when compared to the noise relief it brings. The per plane cost of retrofitting is approximately $200,000 for 2 engine and $250,000 for 3 engine aircraft. The total fleet cost would be about $220 million. For a 727–200 plane with a remaining life of ten years, the average cost per flight is $6.20, out of a total per flight cost of $1,390. And, as to fuel consumption, the FAA has concluded that retrofitting the entire two and three engine fleet will add less than one-tenth of one percent per year to the annual domestic commercial fuel bill.

Changes in the noise rules within little more than a year of the initial compliance date seem to be patently unfair to those carriers which have made the expenditures necessary to bring their fleets into compliance. Some of these airlines will be competing on the same routes with carriers who have not made decisions to bring their fleets in compliance.

The Department of Transportation, FAA, and EPA oppose these anti-noise changes as do other governmental entities, trade associations, environmental and consumer groups. Among these are: American Association of Airport Executives; Aviation Consumer Action Project; Airport Operators Council International; Congress Watch; Friends of the Earth; National Association of Counties; National League of Cities; National Organization to Insure a Sound-Controlled Environment, N.O.I.S.E.; National Parks and Conservation Association; Sierra Club, Metropolitan Washington Group; and the United States Conference of Mayors.

With best wishes,

Sincerely,

Howard M. Metzenbaum, Jacob K. Javits, Paul Tsongas, Daniel Patrick Moynihan, Harrison A. Williams, Jr., David Durenberger, Carl Levin, S. I. Hayakawa, Edward M. Kennedy, William Proxmire, Adlai E. Stevenson, Charles McC. Mathias, Jr., William S. Cohen, Paul S. Sarbanes, Edmund S. Muskie, Claiborne Pell.●

NICARAGUA—PART III: THE GOVERNMENT OF NATIONAL RECONSTRUCTION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. HAMILTON. Mr. Speaker, one of the most agreeable aspects of the congressional mission to Nicaragua was the access of Members of Congress to the leadership of the Government of National Reconstruction. The access enabled us not only to contact persons and groups who could speak authoritatively on Nicaraguan affairs, but also to examine relationships among centers of power and influence in the new government. I believe that we left Nicaragua with a good sense of the problems and possibilities of Nicaragua's leaders.

In the aftermath of the civil war, Nicaragua has developed a highly collegial form for its Government of National Reconstruction. There are three important entities to be reckoned with. The first, one for which there is no analog in our system of government, is the Directorate of the Sandinista National Liberation Front. Generally acknowledged to be the main focus of power in the country in virtue of its control of the armed forces and its understandable popular appeal, the Directorate consists of nine men from three distinct guerrilla factions who seem to conceive of their role as one of guaranteeing or safeguarding the Nicaraguan revolution. The left-leaning character of the Directorate is unmistakable, though in discussions with us no doctrinaire attitudes were apparent. In any case, their remarks were directed to issues of development and nationalism rather than political philosophy.

The second important entity is the legal executive or Junta, a five-person committee whose members were appointed by the Directorate. The Junta rules by decree at present, and presumably its decrees are arrived at through internal consensus and external consultation. If occupational background is an indicator, the membership of the Junta represents a fair cross-section of Nicaraguan political opinion. The Junta is supported by 18 ministries whose heads, together with other public officials, comprise the third important entity, the Cabinet. Ministries range from more familiar ones such as Defense or Interior to less familiar ones such as Agrarian Reform or Culture and Sports, and by impression was that individual ministers vary in the mix of policymaking and administrative duties that falls to them. Professionals and technocrats predominate in the Cabinet, which also contains two priests.

Collegial government is rare because it tends toward instability. The difficulty of consensus building has been known since Roman times, as has the strong temptation for some leaders to combine to exclude others from power. My guess is that the government of national reconstruction feels the instability inherent in its own structure, but during our visit it presented a remarkably unified face. The three guerrilla factions of the Directorate were invisible. If there were any outstanding disagreements between the Directorate and the other bodies, they were nowhere in evidence. Junta members whose politics might have prompted them to clash seemed to be speaking the same language. Academics, businessmen, and priests in the Cabinet displayed a deep consistency of opinion. Was this unanimity an illusion conjured up for the benefit of Members of Congress? I think not. Collegial government appears to be working for the present because political differences have been temporarily set aside in an effort to meet pressing social and economic needs.

Collegial government has obvious drawbacks, but it also has a certain logic in the context of present-day Nicaragua. The Nicaraguan revolution was brought about by many diverse groups in the society, and each has claim to a say in how the revolution develops. Collegial government can satisfy those claims because of its natural inclusiveness. Also, the Nicaraguan people know all too well the effect of concentrating too much power in too few hands. Collegial government can allay their fear of authoritarianism. Finally, Nicaragua needs all the resources it can muster if it is to rebuild. Collegial government can attract the human resources that make reconstruction possible. Although no one can know the future with certainty, I believe that the following observation is sound: the forces that led to the development and initial success of collegial government in Nicaragua are forces that push Nicaragua toward an open and pluralistic political figure. Other forces are abroad in the society, to be sure, but there is no reason to think that they are irresistible and cannot be counterbalanced.

Opinions as to the general political outlook of the government of national reconstruction gave us further reason for optimism about the political future of Nicaragua. Although it clearly took second place to the overwhelming commitment to heal the nation's social and economic wounds, there was a common political theme in the government's statements. Junta member Sergio Ramirez, for example, described the Nicaraguan revolution as a movement toward democracy. He then spoke of the parallel tasks of economic and democratic reconstruction, saying that the government would not await the achievement of economic goals before establishing democracy. Directorate member Jamie Wheelock sounded a similar but more tentative chord in his introductory remarks. He explained that the Sandinista movement had dealt with other sectors of society because it wanted Nicaragua to be pluralistic and democratic, tough Nicaragua's democracy might not mimic that of other nations. In the same meeting, Directorate member Victor Tirado responded to a direct question about Nicaragua's political future by saying that the nation would have a plural-party system. He suggested that it might be more advanced than our two-party system.

The structure, success, and statements of the government of national reconstruction are not grounds for untrammeled optimism concerning Nicaragua's political future. They are nothing more or less than hopeful signs. Many obstacles stand between Nicaragua and the kind of open society that all good men strive to achieve. If we become impatient with Nicaragua's political progress in the months ahead, perhaps our impatience will be eased by the realization that for us, too, the idea of genuine democracy in Nicaragua is new.●

ASSAULTS ON MULTILATERAL INSTITUTIONS ILL CONCEIVED

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. BONKER. Mr. Speaker, a New York Times editorial underscores the problems associated with placing country restrictions on moneys the United States contributes to international financial institutions. While the House has acted unwisely by putting several country restrictions on this year's contributions, we still have the chance to accept a rational position when we confer with the Senate on this issue—provided the Senate does not succumb to the same parochial interests the House has.

The United States is a voting member of these international financial institutions and can, therefore, voice any objections through the appropriate forums of governing boards. To place restrictions on the moneys through legislative maneuvering undermines the whole purpose of U.S. participation in these institutions. and will, in all probability, lead to the dismantlement of arguably the most cost-efficient "aid" effort in which the United States participates. That would not only be bad for the developing world, which desperately needs these low-interest loans and loan guarantees to improve

the lot of their people, but it would also unnecessarily tarnish the image of the United States.

The editorial follows:

UNDOING A TANTRUM ON FOREIGN AID

Congress has it in its power, perhaps today, to decide whether the United States will, in a kind of tantrum, turn its back on the world's poor countries. The issue is United States support for the World Bank and other international lending agencies it helped create. An emotional House would cripple their aid. Only cooler Senate heads can thwart such recklessness.

The House has voted, for the third year in a row, to cut donations to these international agencies and, far more important, to bar the use of American contributions in aid to a half-dozen countries it doesn't like—Vietnam, Cuba, Cambodia, Laos, Angola and the Central African Republic. In 1977 and 1978, the Senate removed similar restrictions because they make it impossible for the international agencies to accept any American funds. That would also reduce contributions from other nations. The Senate position was sensible; yet last year, it was adopted by just one vote.

This year, the issue has been posed again by a 281–117 House vote swelled by outrage over Vietnam's invasion of Cambodia, expulsion of refugees and opening of Vietnamese ports and airfields to Soviet forces. The World Bank is being pilloried now for its action two years ago, before any of these events, when it lent Vietnam $60 million to increase food production. The irony is that Vietnam is not scheduled to receive any more aid anyway. Cuba, which also stirs House emotions, is ineligible for aid as a nonmember of the Bank. But the House action would, meanwhile, reduce aid to the very countries in Southeast Asia and Central America that some House members believe are threatened by Vietnam and Cuba.

The attack on the international lending institutions comes at a time when their importance is greater than ever. Bilateral aid programs by the United States and the other main donor countries have been curtailed by the world's stagflation. Yet the deficits of the poor countries are soaring as a result of oil prices, and living standards are being cut back.

By borrowing in private markets, the World Bank has been able to lend poor countries $50 for every $1 paid in by the United States. The "soft loan" agencies, like the International Development Association, raise almost $3 in matching contributions from Western Europe, Japan and other nations for every American aid dollar. The United States cannot dictate to these international organizations. If it cripples them, it destroys the best mechanism yet devised for equitably sharing the cost of foreign aid among the rich. The Senate has much to stand firm for.●

HEARING ON H.R. 4973, CORPORATE CRIMINAL LIABILITY FOR COVER-UP OF LETHAL DEFECTS IN PRODUCTS AND BUSINESS PRACTICES BILL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. CONYERS. Mr. Speaker, the second hearing on H.R. 4973, which creates corporate criminal liability for certain nondisclosures by business entities as to dangerous defects in products and business practices has been scheduled for 9:30 a.m. on Thursday, December 13, 1979 in Room 2226, Rayburn House Office Building.

The witnesses at the hearing will be Dr. S. Prakash Sethi, Director of the Center for Research in Business and Social Policy, School of Management and Administration, University of Texas at Dallas; and Dr. Samuel S. Epstein, Professor of Occupational and Environmental Medicine, School of Public Health, University of Illinois Medical Center at Chicago.

Those persons wishing to testify at future hearings, or wishing to submit statements for the RECORD, should address their requests to the Committee on the Judiciary, Subcommittee on Crime, 207E Cannon House Office Building, Washington, D.C. 20515. Telephone: (202) 225–1695.●

WORLD BANK CRITICISM

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

o Mr. YOUNG of Florida. Mr. Speaker, As I reported to the House this morning, Barron's, a national business and financial weekly, today published a news article which all Members of this House should read before voting again on any appropriations to the World Bank group.

The article reveals a number of things that Members of the House will find extremely interesting.

It reveals that soon after World Bank President Robert McNamara wrote the House Appropriations Subcommittee on Foreign Operations promising that the World Bank group would not loan money to Vietnam in fiscal 1980, he wrote another letter to Treasury Secretary G. William Miller and apologized for writing his letter to us.

It reveals that World Bank employees are increasingly concerned over the emphasis on quantity rather than quality in approving Bank projects. It reveals that a report prepared by the World Bank Group Staff Association found that

Many staff believe the Bank to be overcontrolled and undermanaged.

In effect, the report charges that McNamara runs the Bank in such an autocratic manner that he fails to make adequate use of the professionals on his staff.

The Barron's report also reveals that the Bank's own annual review of 98 operations, representing about $1.8 billion in loans, found that projects are frequently changed because of faulty or incomplete design, because of a change in objectives, or because of what were described as "financial reasons."

That internal Bank report found that five projects had large cost overruns. Three of these were in Indonesia and one project cost five times as much as budgeted. It revealed that many questions remain about procedures used in spending money loaned to Iran, loans which have since been canceled. And it reveals that a loan to Pakistan was so hurriedly put together that the project ran 4 years behind schedule.

Mr. Speaker, the House is learning more and more about the questionable practices and problems of the World Bank. I believe many Members of this House are beginning to look on that institution with increased skepticism as a result of information that has come to light in the last 3 years as a result of the subcommittee's efforts.

Barron's has made a significant contribution to that flow of information, and I commend that publication and its reporter, Shirley Hobbs Scheibla, for this excellent example of investigative reporting.

The article follows:

MCNAMARA'S BAND SOUR—DIRECTORS, STAFF CRITICAL OF WORLD BANK OPERATIONS

(By Shirley Hobbs Scheibla)

WASHINGTON.—In a heated secret meeting recently, the executive directors of the World Bank gave President Robert S. McNamara a sharp rebuke for promising Congress that the Bank will make no loans to Vietnam during fiscal 1980. McNamara acted in haste in order to avoid jeopardizing a pending appropriation of $1.092 billion for the International Development Association, the Bank's soft-loan window. The directors, however, believe that in so doing, he exceeded his authority.

It was on the basis of this commitment that House-Senate conferees decided not to proceed with the Young Amendment, which would have banned the use of U.S. contributions to the Bank for either direct or indirect aid to Vietnam in fiscal 1980.

One executive director told *Barron's*: Legally, the directors have the responsibility for general operations of the Bank, and they could countermand Mr. McNamara's action . . . But they did not do so, and it was clear to me that the sense of the majority was that it was not an opportune time to consider lending to Vietnam . . . Nobody really wants to fight on that, even though they may be disturbed about some of the principles involved." In the future, however, the directors warned McNamara that if he exceeds his authority again, he risks having it countermanded.

Congress is expected to vote on appropriations for the World Bank sometime this week. House-Senate conferees have agreed on $1.092 billion for the IDA, which makes loans for 50 years with a 10-year grace period. Except for an administrative charge of three-quarters of 1%, they are interest-free. For the World Bank's "hard" loan operation, the two chambers are far apart. The Senate wants to appropriate $880 million, the House only $163 million. The Administration had sought $1.025 billion.

CAMPAIGN TRAIL

The special meeting of the executive directors is one example of the mounting dissatisfaction in the World Bank against McNamara's autocratic—and occasionally indiscreet—way of doing things. The directors also have berated McNamara for taking part in Sen. Edward Kennedy's Presidential campaign strategy in violation of the Bank's charter, which bans such political activity. On this score, Rep. C. W. "Bill" Young (R., Fla.), author of the Young Amendment, and Rep. Robert K. Dornan (R., Calif.) have called for McNamara's resignation.

While the directors don't plan to ask him to resign (his term expires in 1983), they have begun to establish binding criteria for cutting off loans to a country. They also plan to stipulate that in order to obtain Bank aid, a recipient must demonstrate that it enjoys a certain measure of stability.

Barron's has obtained a report by a group of Bank employes which criticizes the em-

phasis on quantity in approving Bank projects. The U.S. government and the executive directors have voiced similar concern and have held lengthy sessions with McNamara on the subject. In particular, the former has always had doubts about the wisdom of loans for tourism, a McNamara innovation. It recently urged him to make no more of them. Instead, he has agreed only to curtail such activity.

McNamara's commitment to Congress to make no loans to Vietnam in fiscal 1980 came about in dramatic fashion. Following disclosure that, contrary to Congressional impression, a $60 million loan to Vietnam would be disbursed and would be used to subsidize the communization of the southern part of that country (*Barron's*, Sept. 3), the House voted to ban the use of U.S. funds for the Bank for direct or indirect aid to Vietnam.

On Nov. 1, House-Senate conferees seemed ready to approve a ban on loans to Vietnam with U.S. money. Asked what would persuade him to drop his amendment, Rep. Young replied: "A commitment from Mr. McNamara or the board of directors that they will not lend to Vietnam in fiscal 1980."

During the lunch recess, two conferees, Rep. David R. Obey (D., Wis.) and Rep. Matthew F. McHugh (D., N.Y.) met with C. Fred Bergsten, assistant secretary of the U.S. Treasury for international affairs and also acting U.S. executive director of the Bank. They asked if Young's conditions could be met. Bergsten said he thought so.

AMENDMENT WITHDRAWN

Bergsten quickly presented the draft of a proposed letter from McNamara to Rep. Clarence Long, chairman of the Foreign Operations Subcommittee of the House Appropriations Committee. But the problem was to find McNamara, who was traveling, and have him sign it. It was presented to him as he left a plane at Washington National Airport, and he signed. Addressed to Long, it read: "In response to your inquiry, I would like you to know that events over the past year have raised a very serious question about Vietnam's current commitment to a rational development policy. These questions were considered sufficiently fundamental to warrant a suspension of new lending to Vietnam.

"Under current conditions it would not be possible to invest funds there with a high probability that investment objectives would be realized or with assurances that the project would benefit the masses of the people. Consequently, I cannot recommend a loan to Vietnam to the Board in FY 1980 and therefore the Bank Group will not be providing a loan to Vietnam in FY 1980."

This proved acceptable to Young, who withdrew his amendment. Indeed, the lawmakers felt it was more than he had hoped to achieve with his bill because the letter pledged the Bank not to use anyone's money to lend to Vietnam.

On that same day, several executive directors met informally with McNamara and told him that he should not have communicated directly with Long. McNamara for years had insisted that the Bank is an international institution, not answerable to the U.S. Congress. Hence he had made it look ridiculous. McNamara acknowledged as much. He quickly sent a letter to Secretary of the Treasury G. William Miller, one of the governors of the Bank, which read as follows:

"Owing to the extreme urgency of the matter and the lateness of the hour, this afternoon, I addressed the appended letter directly to the Chairman, Subcommittee on Foreign Operations, U.S. House of Representatives, thus deviating from the rule I have invariably followed of communicating with member Governments only through officially designated channels, in your case, through Treasury. . . . While I know you will in the circumstances understand the compelling reasons for this departure from our fixed rule, I neverthless ask you to accept my apologies."

For the more serious issue of McNamara exceeding his authority, the directors found it necessary to consult the countries they represent. That's why the formal, (but secret) meeting with McNamara cited above did not take place until Nov. 6.

NO DECISION REACHED

In response to the push to make stable conditions a requirement for receiving money, the Bank recently called a meeting of international lenders and donors to discuss Uganda. So far no final decision has been reached. The Bank's latest summary of proposed projects lists a proposed credit of "about $50 million" for a "program credit" for Uganda's Ministry of Finance.

Both Chairman Long and Rep. Young, ranking minority member of the Foreign Operations Subcommittee, are also watching developments in Pakistan carefully. So far they have decided that the burning of the U.S. Embassy in Pakistan does not warrant seeking a Bank commitment against loans to that country, since, unlike the turmoil in Iran, the violence apparently was not engineered by the government. (To date, the Bank has approved $1.964 billion in soft loans for Pakistan and an additional 14 projects, totaling $451 million, are pending.) Iran is not at issue, since the Bank has dropped consideration of the only pending projects there.

Bank employes are increasingly concerned over the emphasis on quantity rather than quality in approving projects. Barron's has obtained a document titled, "Draft Report of the Participation Advisory Committee," issued by the World Bank Group Staff Association. It says, in part: ". . . Many staff believe the Bank to be over-controlled and under-managed. The problem has many dimensions. Some are related to the objectives of the Bank; the failure of many staff to understand them; the eroding consensus about how to achieve them; the resulting ineffectiveness in pursuing them. Some are related to the character of management at the Bank: the style of senior management; the gaps in communications; the inefficiency of many procedures; the absence of trust in managers; the failure of managers to do what they believe to be correct; the excessive redrafting and packaging of documents; the emphasis on quantity, not the quality of the product. . . . Morale is at a low point because of the way the place is managed."

In essence, the report charges that McNamara runs the Bank in such an autocratic way that he fails to make adequate use of the many competent professionals on the staff. It denounces management for measuring effectiveness and productivity solely by the numbers of dollars loaned and projects processed, and suggests the Bank has become too "output-oriented," at the expense of both the quality and the ultimate development impact of its work.

This document (and others like it) have come to the attention of the executive directors, Assistant Treasury Secretary Bergsten says that the U.S. government has looked carefully at the problem, but has no immediate action in mind. One reason involves mere mechanics: on Oct. 31, Edward Freed resigned as the U.S. executive director of the Bank to go to the National Security Council. A few months earlier, William P. Dixon, the U.S. alternate executive director, left to plan the Democratic National Convention. Bergsten now is acting as the U.S. executive director.

SELF-EVALUATION

Staff dissatisfaction with the Bank's operations even has managed to creep into the Fifth Annual Review of Project Performance Audit Results. This document covers 98 operations, representing about $1.6 billion in loans. Not a true audit, it amounts to a Bank evaluation of its own performance. Nevertheless, it found that projects frequently were changed during implementation for such reasons as faulty or incomplete original design, shift in objectives and "financial reasons."

The document also discloses the following:

Of the five projects with the largest cost overruns, three were in Indonesia. An irrigation scheme there had a cost overrun of 500 percent, caused "by inadequate appraisal, underestimation of rehabilitation costs, subsequent increase in project size and rising costs fueled by inflation." So far the Bank has loaned $3.234 billion to Indonesia, and an additional $2.114 billion, covering 29 projects, is pending.

The Iran Ghazvin (irrigation) Development project had a zero rate of return, and 58 percent of the loan was cancelled. Those in charge of the project failed to comply with the Bank's procedures for international competitive bidding and refused to pursue agreed-upon land reform. The failure of the project, the review said, underscores the consequences of seeking to introduce sophisticated farm technology to rural populations not yet ready to accept such innovations.

The Bank cancelled 44 percent of a loan for the Iran Tehran Urban Transport project, and full cost information was not available at audit.

The Third Agricultural Credit to Pakistan was hurriedly put together without adequate attention to problems which plagued the first and second credits. As a result, the project ran four years behind schedule.

The Benin Zou Borgou Cotton project failed to reach its objective of increasing seed cotton production owing mainly to changes in government, organizational disruptions and frequent policy revisions.

The San Lorenzo Land Settlement Project in Peru took eight and a half years longer than originally estimated, even though 42 percent of the loan was cancelled, with a consequent reduction in project size. The project suffered from deficient appraisal and design, inadequate Bank review, poor management, difficulty in procuring machinery and equipment and problems with water allocation.

The Chile Second Highway Maintenance Project took eight years, instead of the expected three and a half. There were problems with international bidding procedures for procuring equipment and temporary suspension of purchases when a bilateral source of equipment became available.●

ROLLCALL VOTES

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. MAZZOLI. Mr. Speaker, due to illness, I was unavoidably absent from the House of Representatives for several days in November and missed a number of rollcalls.

Had I been present on November 7, 1979, I would have voted "aye" on rollcall No. 630, the rule on H.R. 4007, repayment of loans to State unemployment funds.

Had I been present on November 8, 1979, I would have voted "aye" on rollcall No. 642, the rule on H.R. 2335, solar power satellites; "aye" on rollcall No. 643, passage of H.R. 2603 to authorize appropriations for Department of Energy national security programs; "aye" on rollcall No. 644, to close parts of the confer-

ence committee on H.R. 2603 for national security reasons; "aye" on rollcall No. 645 to resolve into the Committee of the Whole House to consider the bill; "aye" on rollcall No. 647, agreement to the conference report on H.R. 4930, Department of the Interior appropriations; "aye" on rollcall No. 648, to concur in Senate amendments to H.R. 4930; "aye" on rollcall No. 649, motion to adjourn until Tuesday, November 13, 1979.

Had I been present on November 13, 1979, I would have voted "aye" on rollcall No. 651, to suspend the rule and pass H.R. 5461, designating Martin Luther King's birthday as a legal holiday; "aye" on rollcall No. 652, House Concurrent Resolution 200 expressing the sense of Congress regarding the Baltic States and Soviet claims to citizenship over certain U.S. citizens; "aye" on rollcall No. 653, passage of H.R. 5235, Uniformed Services Health Professionals Special Pay Act; "aye" on rollcall No. 654, to close parts of the conference committee on H.R. 5259, Department of Defense appropriations, for national security reasons; "aye" on rollcall No. 655, amendment to H.R. 440, continuing appropriations, to prohibit use of funds therein for economic and military aid to Iran; "aye" on rollcall No. 656, rule on H.R. 2727, Meat Import Act.

Had I been present on November 14, 1979, I would have voted "aye" on rollcall No. 657, approval of the Journal; "aye" on rollcall No. 649, amendment to H.R. 2727, Meat Import Act, to increase minimum access levels to 1.3 billion/lbs.; "aye" on rollcall No. 660, passage of H.R. 2727, Meat Import Act; "aye" on rollcall No. 661, rule on H.R. 2063, Public Works and Economic Development Act; "no" on rollcall No. 663, striking Regional Development Commission language for certain provisions of H.R. 2063; "no" on rollcall No. 664, motion to recommit H.R. 2063 with instructions to readjust authorizations for public works standby programs; "aye" on rollcall No. 665, passage of H.R. 2063, to amend and extend authorization for Public Works and Economic Development Act; "aye" on rollcall No. 666, amendment to H.R. 2313 Federal Trade Commission Improvement Act, to prohibit the agency from promulgating the proposed funeral rule.

Had I been present on November 15, 1979, I would have voted "aye" on rollcall No. 667, rule on H.R. 2626, Hospital Cost Containment Act; "aye" on rollcall No. 668, the Gephardt substitute for H.R. 2626; "aye" on rollcall No. 669, passage of H.R. 2626, Hospital Cost Containment Act.

Had I been present on November 16, 1979, I would have voted "aye" on rollcall No. 671, instructing conferees for H.R. 2440, Airport and Airways Development Act, to agree to Senate language regarding solicitations at airports; "aye" on rollcall No. 672, conference report on H.R. 4391, military construction appropriations; "aye" on rollcall No. 673, passage of H.R. 2335, Solar Power Satellite Research and Development Act; "aye" on rollcall No. 674, conference report on S. 1319, military construction authorizations; "aye" on rollcall No. 675, rule on H.R. 3994, Solid Waste Disposal Act; "aye" on rollcall No. 676, rule on H.R. 3546, Federal Insecticide, Fungicide, and Rodenticide Act; "aye" on rollcall No. 677, rule on H.R. 3580, amendments to the Rural Development Act.●

MILITARY CONVERSION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mrs. SCHROEDER. Mr. Speaker, military conversion recently has become an important issue in the Denver area. With 1 out of every 10 jobs in Colorado directly dependent upon military spending, conversion of Rocky Flats to a civilian industry would be no easy task. Still, the result would probably be safer for local residents, and we could expect to produce more jobs than with a military enterprise.

Five church agencies have recently filed a shareholder resolution with Rockwell International, which manages the Rocky Flats plant. These church agencies are: Sisters of Loretto, Ladies of Bethany, Capuchins, Dominican Priests, and Fellowship of Reconciliation. Their resolution was submitted to me by the Interfaith Center on Corporate Responsibility (ICCR), which coordinates the shareholder activities of an ecumenical coalition made up of 14 Protestant denominations and over 175 Roman Catholic orders and dioceses.

It is with pleasure that I share with you the resolution on Rocky Flats. I hope that such popular involvement in the conversion issue increases substantially in the near future:

ROCKWELL INTERNATIONAL

Whereas Rockwell International manages the Rocky Flats plant in Colorado which produces the plutonium components for all U.S. nuclear weapons;

Whereas the Governor and State and Jefferson County Health Departments have voiced concern about the health and environmental hazards posed by the plant;

Whereas the Colorado Medical Society has urged the Department of Energy to establish a timeline for converting the facility to nonnuclear uses;

Whereas members of the Colorado Congressional delegation have called for governmental and independent assessments of alternative uses for the facility and the potential reemployment of its workers;

Whereas Rockwell's operation of Rocky Flats exposes the Company to unfavorable publicity and costly and damaging lawsuits due to off-site contamination and possible future accidents;

Therefore be it resolved, That the shareholders request the Board of Directors and Rocky Flats management to:

A) establish a joint management-labor committee to begin exploring possibilities for conversion of the plant to non-nuclear, civilian oriented activity from its present military mission; and

B) cooperate fully and provide all necessary information for conversion planning and assessment studies conducted by local, state and federal agencies.

STATEMENT OF SECURITY HOLDER

Rockwell's role in operating the Rocky Flats facility has generated increased controversy and criticism in the past year. An open letter signed by over 500 prominent Americans, including scientists and religious leaders, urged the Company to re-examine its involvement with nuclear weapons production. Thousands of Colorado citizens have participated in rallies calling for the plant's conversion. Under the pressure of growing public concern, the DOE has undertaken an internal study of Rocky Flats, its safety and long-term future.

The potential risks to human life and health, as well as the long-term costs of radiation contamination and cleanups, far outweigh any benefits to the Company gained by continuing to operate Rocky Flats. In addition, the nuclear arms race has serious economic, moral and social consequences that shareholders cannot ignore. It is in the Company's interest, we believe, to make preparations for the conversion of Rocky Flats.●

THE POSTAL SERVICE: SUCCESS OR FAILURE?

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. CORCORAN. Mr. Speaker, I would like to insert in the CONGRESSIONAL RECORD the following excerpted statement by our Postmaster General, Mr. William F. Bolger, on the status of the U.S. Postal Service at the end of fiscal year 1979.

The U.S. Postal Service has, for the first time in decades, realized a surplus and Mr. Bolger is understandably proud to have been the captain of the ship at such a time. He is to be commended for his leadership. The statement made here squares with testimony before the Committee on Post Office and Civil Service, of which I am a member, and is evidence of the continuing efforts of all those involved with the Postal Service to improve that Service.

Mr. Bolger discusses herein the problems caused in a labor intensive industry by today's runaway inflation and he raises the more basic issue of future financing sources for the Postal Service. As he points out fiscal year 1980 is projected to have a $600 million deficit. If we are to continue to have a Postal Service second to none with universal mail service for all Americans at reasonable rates, this and future deficits will have to be addressed by our Postmaster General Mr. Bolger and the Congress.

Nonetheless, the USPS record for 1979 is a good one and I commend it to my colleagues for their consideration:

THE POSTAL SERVICE: SUCCESS OR FAILURE?

(By Postmaster General William F. Bolger)

Good afternoon, ladies and gentlemen. I welcome this opportunity to participate in this prestigious forum.

We are today grappling with an economy that defies comprehensible description, let alone accurate prediction. With unemployment at six percent, inflation topping 13½ percent, the prime rate at 15¾ percent and the bond market in great disarray—clearly we have cause for concern.

And, even though the overall profits of American Corporations stayed surprisingly high through the third quarter of 1979, some industries suffered severe setbacks.

I mention these facts because I think they provide an important backdrop to my major

subject—the Postal Service and its role in our society and economy.

The underlying, overriding reason the Postal Service exists is to serve you and all of our customers. Service is our last name but our first priority. Since business mailers account for 80 percent of our volume, we have found it particularly necessary and instructive to seek their counsel and adopt their proven techniques. Our partnership dates back to Postal Reorganization in 1971.

Prior to that time, as you know, our difficulties were legion. We were sustaining heavy losses year after year, losses in terms of financial deficits, employee morale, and customer confidence.

In the four years immediately preceding Reorganization, for example, we showed a negative productivity figure of 2.5 percent in terms of pieces per work year and there was a general feeling something had to be done about the post office. That feeling grew enormously in the spring of 1970, when a strike by postal unions virtually halted much of the nation's mail.

Five months later, the Congress enacted the Postal Reorganization Act, the principal portions of which went into effect July 1, 1971. The necessity of Reorganization was obvious; the attainment of its goals, though entirely desirable, was less easy to discern.

The mandated goals were:

To provide quality mail service;

To improve working conditions for employees and make their wages and benefits comparable to those in the private sector;

To charge fair and reasonable rates; and

To achieve financial self-sufficiency.

That was an enormous challenge, particularly for an organization the size of the Postal Service. The final item alone, the one on the balanced budget, seemed to border on impossibility. The organization had run multi-million dollar deficits every year since 1946, spilling over into the billion-dollar category in 1967, '68, '69, and '70.

Further, postal facilities were old and crumbling and usually located in exactly the wrong place, near rail lines that no longer met our transportation needs.

It was, in the late Sixties and early Seventies, a system that greatly resembled the one in which our founder, Benjamin Franklin, grew up. Hand sorting into pigeon-holed cases was the normal way of mail processing, almost as if the entire industrial revolution with its miracles of mechanization had never taken place.

The overwhelming majority of people who came to work for the post office retired from the same jobs in which they had begun. There was little hope for advancement—unless, in the common phrase of those political days, you "knew someone."

In short, America's postal system was in shambles and the prediction of former Postmaster General Lawrence O'Brien seemed destined to come true, for the post office seemed truly "in a race with catastrophe."

In exactly the way the Marshall Plan was needed to rebuild Western Europe, so a Marshall Plan was needed for the post office.

This past July marked the eighth anniversary of the start of this plan—the Postal Reorganization Act—and it is very appropriate to ask, how well has this plan done?

My answer is: It has worked very well, so well, in fact, that I believe I can say with no exaggeration that the Postal Service today is in the vanguard of good government and that America enjoys the best postal service of any nation in the world.

Those are bold words, I know. And I appreciate that many people do not share my opinion. In fact, one doesn't have to look far to find someone lamenting "the crisis in the post office" or "the Postal Service mess" and advocating that, once again, the system be pulled up by its roots and refashioned in some new form, or worse yet, returned to the old.

While these are the popular and easy things to say, the fact is they are simply not accurate. For, ladies and gentlemen, there is no crisis in the post office . . . and there is no mess. And consequently there is no need to fix something that isn't broken.

Why, then, is the perception that something is wrong in the Postal Service so widespread?

I believe the chief reason is rooted in what people think about government these days.

Whether right or wrong, when most people talk about government, they are likely to give a highly critical assessment that goes something like this:

We all know, they say, that government is fat and lazy and inefficient—that all government agencies want is more and more of the taxpayer's dollars, for which they give less and less service.

They will also say, generally, that government is mismanaged, with excessive payrolls and exorbitant waste.

Furthermore, they also will add that government is extending its authority too far . . . that it does things for its own convenience, not the public's, and that its chief product is red tape.

Unfortunately, since the Postal Service is the only arm of the federal government that reaches out and touches every household in the country, six days a week, 52 weeks a year, more than a little of this ill feeling toward government inevitably rubs off on us. . . . How fair are these charges? Personally, I think they are overstated. In government, there are the usual share of good and bad decisions, and efficient or inefficient people that one finds anywhere.

But, I would not presume to argue the case for the quality of all of government, for it is not within my knowledge or competence. I do know, however, that these charges certainly do not describe the Postal Service.

Can an organization be considered fat, lazy and inefficient that over the last eight years reduced its workforce by some 75,000 employees while its workload increased by almost 14 billion pieces a year?

Yet that is the record of the Postal Service.

Can an organization be considered a sponge soaking up taxpayer dollars that has cut its dependence on subsidy to nearly a third of what it had been?

Yet that is the record of the Postal Service.

Can an organization be considered mismanaged and wasteful when for the first time in 34 years—I repeat, 34 years—it has turned the red ink on its balance sheet into black?

Yet that is what the Postal Service has done this year.

And can an organization be considered unresponsive and guilty of serving its own convenience when it goes out of its way to listen to its customers and produces such innovations as our presort program and dozens of other red-tape-cutting/customer convenience measures?

Yet that, too, is the record of the Postal Service.

It is not a perfect record—not by any means.

The Postal Reorganization Act pointed us in a general direction, but it did not show us the way. In our early years, lacking any precedents, this often meant a process of trial and error. Mistakes were made, and certain steps had to be retracted. And it certainly did not help, as we struggled to find this new way, to be hit by runaway inflation and the brand-new problem of an energy shortage.

Despite this, however, the facts speak for themselves.

While reducing our payroll by 75,000—from 740,000 in 1971 to some 665,000 this year—we saw our annual volume grow from 86 billion pieces to 100 billion pieces.. This translates into a productivity gain of more than 23 percent.

Such a gain would be noteworthy in any context. But when measured against the fact that it broke a decades'-old tradition, it is, in my opinion, even more impressive. And when measured against what has happened in the private sector, it becomes still more impressive.

In the Post Office Department, growth in mail volume was often considered a problem—not an opportunity. It was often discouraged, but when mail volume still grew, there was one answer to the problem: Hire more people . . . throw more manpower at the mountain of mail.

While that might have been a defensible posture in those days when postal wages were below industrial standards. it is certainly not today when the average clerk and carrier earn some 21 cents a minute, with fringe benefits.

Further, with personnel costs consuming about 85 cents of every postal expense dollar, the new management recognized what it had to do. It began mechanizing, building modern plants, imposing modern methods, and—above all—applying good old-fashioned, time-proven, hard-nosed management planning and control.

As a result, the amount of mail processed mechanically has grown during this period from 25 to almost 70 percent, and cost-awareness and concern about productivity have become a way of life in the post office.

At the same time, we awakened to the fact that since we are obliged to come to your door everyday, whether we have one piece or a dozen pieces of mail for you, we had to increase and encourage volume growth to offset our fixed costs. And this, in turn, has produced a Postal Service that is marketing- and customer-oriented and determined to make it easier and more advantageous for everyone (particularly its major mailers) to do business with us.

This strategy is paying off.

While there is no question that rates rose too often in the early years of Reorganization, we are frankly proud of the fact that we were able to go 2½ years before our last general rate increase, from December 1975 to May 1978. We are equally proud that we will have gone another 2½ years before the next rate increase.

Just in case you somehow have missed it, we are still holding fast to our earlier commitment that there will be no general rate increase until 1981.

Our postage rates—which, by the way, are the lowest of any industrialized nation—will remain unchanged for at least the next 13 months. And in today's inflationary climate, I think any fair-minded observer must agree that that is a noteworthy accomplishment.

In addition, we are also proud of our bottom-line financial results. As I mentioned, the Postal Service has completed fiscal 1979, the year that ended September 30, with its first surplus since 1945. The results of an audit just completed show that the Postal Service ended the year $469 million in the black.

It is this surplus that will enable us to keep our commitment to hold rates as they are until at least 1981.

And it is this surplus that indicates more than anything else how far your Postal Service has come in the eight years since Reorganization.

There are some who have charged that this surplus is the result of some bookkeeping maneuvers, not of sound management. This is absolutely false.

Our methods of accounting have not changed and our books continue to be certified by outside auditors of the highest reputation, Ernst and Whinney International, formerly Ernst and Ernst.

Furthermore, the true picture emerges by lcoking at the trend line of the last four years. This shows constant progress, with our deficit dropping from $1.2 billion in 1976 to $688 million in 1977 and to $379 million in '78, before breaking into the black in '79.

And, I don't believe you saw any other agency except the Postal Service tell the Congress this year that we did not need the increased subsidy proposed in pending legislation. Yet that is what we were able to do.

So this progress, financial and otherwise, is no fluke. It is solid and it is real.

In fact, we follow the conservative business practice of accrual accounting, unlike most of the rest of government. We do so because the accrual accounting method properly treats long-term liabilities as a current-year expense and thus gives a more accurate picture of an organization's financial status.

Throughout this recital, I have not mentioned service, and one may be tempted to think service has been sacrificed to productivity and financial concerns.

But the answer to that, I think, best lies with you, our customers. While I'm certain you have problems with your mail from time to time, I think you know from your own experience that our system is indeed sound and reliable.

. . . Instead, our measurements show us on an even keel, and these results are verified by outside measures. For example, in the past year, 10 newspapers that we know about—including the Los Angeles Herald-Examiner—conducted surveys and in all but one instance found service to be better than they had presumed it to be.

In addition—and despite the tendency of the public to be skeptical about us—a recent Roper survey shows that 83 percent of a national sampling said they were either fully or fairly satisfied with our service—a rating, I might add, just a point below that of the phone company.

As pleasant as it might be to continue by painting only a rosy picture, I must put these facts in the broader perspective.

We know we cannot expect to reap a surplus every year. For one thing, we are a public service whose goal is not to make a profit, but to live within our income, and in today's hazardous economic climate which I mentioned earlier, double-digit inflation is hitting us every bit as hard as it is hitting you.

All of us are in the grips of an inflation explained by its most simple, yet profound, classic definition: There is too much money chasing too few goods.

In this context, I expect that the Postal Service will return to a deficit posture next year. Now, we could have avoided this deficit by increasing our postage rates in 1980. However, the broader effect of a rate increase—such as fueling inflation and possibly driving away some of our customers to other forms of delivery—had to be taken into consideration

Instead, we carefully examined our cash flow and overall financial position and determined that we could absorb this loss in 1980. By doing so, we will be able to hold the line on our rates until 1981

The crucial fact is that we are preparing to cope with this deficit. To keep it as low as possible we are doing all that we can to increase our productivity and to decrease our energy consumption.

Where it had been predicted that our deficit could reach $1.2 billion, we intend to halve it to no more than $600 million.

But, what is troublesome to me—and ironic, considering where we were just eight years ago—is that the results of postal productivity increases and reduced energy consumption can be diminished and even negated by what happens in the rest of the nation.

Last fiscal year, for instance, while we increased our productivity, in the private sector it actually declined, even though wages were skyrocketing. And, as a result, it's no wonder that inflation reached one of the highest levels in the United States history.

Frankly, it's time everyone in this country realized—including management as well as labor, and let's include the politicians too—the only way to combat inflation is to reverse the current practice of tying wage increases to it. In my opinion, they should be tied to increased productivity, and only increased productivity.

The problem is that inflation has far exceeded the bounds of simply an economic problem. It is a political, psychological, and social problem, as well.

And the biggest problem of all is that no one wants to face the fact that the real culprit is each and every one of us, and our assumption that we are entitled to increase, or at least maintain, our purchasing power as individuals, and our profits in business.

That assumption—if we are to reduce inflation—is simply no longer valid

It's going to be tough to do and hard to sell, but we must stop responding to price increases with wage increases. And better still, we must find ways to produce more and better products and services without price increases

Another great weakness in the national economy which seriously affects our efforts in the Postal Service is the area of energy.

Escalating oil prices have been a primary cause of inflation, threatening our economic vitality. In this challenge, however, there is also opportunity—opportunity for the American people to once more take the lead. We have captained our fate too well and too long to shrink in the face of this latest crisis.

At the Postal Service, we have taken significant steps over the past six years to reduce our energy needs. Our economic concern—a nearly billion-dollar energy bill each year—is not as important to us as the moral imperative involved here.

The Postal fleet, the third largest in the world, uses some 350 million gallons of gasoline each year. Additionally, we heat, light, and cool over 190 million square feet of space in our facilities nationwide. To meet this challenge in 1973, we established rigid guidelines on energy efficiency for our buildings and on reduced fuel consumption for our vehicles.

As a result, in Fiscal Year 1978, our overall use of energy was down more than 597 billion B.T.U.s compared with Fiscal Year 1975—and this in spite of a 12 percent increase in the amount of building space.

In barrels of oil—a measure with which we are all painfully familiar—between Fiscal Years 1977 and 1978, the Postal Service saved 630,000 barrels, and, between Fiscal Years 1978 and 1979, we saved an additional 450,000 barrels.

We believe we have finally and effectively turned back the upward spiral of our energy consumption. And, we are determined that future figures on our energy flow charts will move downward in similar—if not better—fashion.

In summing up, therefore, I think it is accurate to say that in eight years—eight short years, in historical terms—the Postal Service has succeeded in becoming a responsive and responsible operation—one that is doing its assigned job well, and one which is conscious of, and contributing to, the solution of other national problems.

I state this not just because these are facts that I am proud of, but because I believe this is information of practical value to each of you, and to every American.

In varying degrees, the Postal Service is important to you, and your business or organization is linked to the health of our universal delivery system. I believe it is in your interest as well as ours to see that the mail system continues on the right track.

And, to go back to what I said at the beginning of my speech, I think the best way you can do this is by rejecting the "easy answers" about the Postal Service that are neither easy nor accurate.

There are, for example, still people who believe that the clock should be turned back on the Postal Service and the old ways of heavy subsidies and politics should be returned. They apparently believe that if only Congress would make a small infusion of taxpayer dollars, then postage rates would not go up and all would be rosy.

They neglect the fact that no subsidy has been invented yet that will curb inflation, and that subsidies work to increase the appetite of unions at the bargaining table, and to create the illusion among managers that maybe they don't have to work as hard at managing costs.

Further, if one seriously wanted to keep postage rates at the same level, the cost of the subsidies would be anywhere from an additional $2½ to $4½ billion per year over the next several years.

Is it realistic to think that Congress would vote such massive funding in the current climate? The answer is an absolute no.

Barring such relief, I maintain the best hope for every American concerned about postal rates and good postal service is to press actively for the continued business-like operation of the institution . . .

. . . to lend his or her voice to correct ill-informed charges of "the mess in the post office" . . .

. . . to put the facts about the Postal Service in perspective, acknowledging that, yes, though mistakes are made, there also has been much progress.

It is this type of realistic thinking that we need to apply to all of our national problems—thinking that rejects slogans and cliches.

And it is this type of thinking that will help insure that we in the Postal Service keep performing for you as you want and expect—and deserve.

Thank you very much for your time and attention.●

REMEMBER THE POLISH HOLOCAUST

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. KEMP. Mr. Speaker, this fall I was privileged to attend a dinner of the General Pulaski Society of Buffalo, N.Y. where His Eminence John Cardinal Krol paid tribute to the history of Poland's dedication to democracy, as I do today.

Cardinal Krol commented on the history of the Polish people that offers "a 10-century example of how deeply they understood and practiced the church's teachings on human dignity and human liberty":

In their long history (Poles) manifested a passionate devotion to liberty: their own as well as that of others. They lived with the conviction that freedom is indivisible—that freedom is for all—that unless all are free, freedom is in jeopardy. They lived by the maxim. "Polak Nie Sluga."—"A Pole is not a Serf," and to safeguard freedom they helped others to fight "for your freedom and for ours."

Before the war Poland was a country of religious toleration for all—Catholics, Protestants, and Jews. Poland was known as a "paradise for heretics." But for the last 30 years Poland has been subjugated

by a government which has never disguised its objective of suppressing all political and religious observation and all belief in God.

THE POLISH HOLOCAUST

On September 1, 1939, Nazi Germany attacked Poland, precipitating World War II and setting the stage for a gruesome Polish Holocaust. In the course of the war, terrible atrocities were committed by both the Nazis and the Russian Army against the Polish people who fought for their freedom against communism and fascism.

In the spring of 1943 the bodies of 4,000 Polish P.O.W. officers were discovered in the Katyn Forest in the U.S.S.R. These 4,000 officers had been brutally executed by the Russian Army and the fate of another 11,000 officers has never been determined.

The war touched everyday citizens, not only soldiers. Auschwitz was established for the persecution of the Polish intelligentsia, whom the Nazis felt were a distinct threat to them. The camp was used for interrogation, torture, and extermination.

On August 1, 1944, the citizens of Warsaw united and began the tragic Warsaw Uprising—a battle which was to last 63 days in an attempt to overcome Warsaw's Nazi captors and to liberate the Polish capital. Almost the entire city was destroyed—some 20,000 people, men, women, and children, lost their lives while the Soviet Army "waited" in the outskirts of Warsaw.

I would like to share with my colleagues a story that illustrates the heroism and humanity of the Polish people during these dark days.

Raymond Kolbe was born on January 8, 1894, in Zdunska Wola, Poland. He entered the Franciscan order, adopting the name of "Father Maximilian." As a Franciscan at the monastery in Niepokanow, he became known for his talents as a printer-editor, founding several Catholic writings and literary publications. As his priestly career matured, he was sent to Japan, where he resided between 1931–35. He returned to Poland and, on February 17, 1941, was taken by the Nazis to the Auschwitz death camp, along with many other Poles. Incarcerated in Compound No. 14, Father Maximilian bore prisoner number 16670 on his forearm.

Following the escape of several prisoners from Auschwitz in the summer of 1941, the Nazis selected a number of persons, at random, for death, as had been the custom in such circumstances. One of those selected, a Polish Army sergeant by the name of Francis Gajewniczek (prisoner No. 5659), had been a fellow inmate of Father Maximilian. The doomed prisoner tearfully pleaded for his life, exclaiming that he would never again be able to see his wife and children. Moved by this display of grief, Father Maximilian calmly requested an audience with the camp authorities, offering his life in place of that of his fellow inmate. Although surprised by the priest's peaceful tone and most unusual sacrifice, the authorities nevertheless consented.

Father Maximilian was cremated in the ovens of Auschwitz on August 15, 1941. Since that time, the story of his heroic and selfless deeds has become known throughout the world. In 1971, the Vatican conducted beatification proceedings for Father Maximilian with a view toward canonization as a Saint of the Roman Catholic Church. After hearing hundreds of witnesses, examining countless documents, and investigating the priest's entire life, the Church declared him as the Beatified Father Maximilian on October 17, 1971.

The story of Fr. Maximilian is only one of millions of stories of innocent victims of a concerted effort to destroy the freedom-loving Poles. They are stories too often forgotten in the modern wish to bury the horrors of the past and to live for the future.

George Santayana once said, "Those who cannot remember the past are condemned to repeat it."

There is a lesson in the Polish Holocaust for all of modern America. It is a a lesson of perseverance, of determination in defense of right in the face of indescribable evil, and of hope for the future. In his address before the General Pulaski Society, His Eminence Cardinal Krol said of the enslaved state of Poland, "Communists have failed to prove that there is no God, they merely proved that there is a devil."

I believe it is appropriate that we, as Americans who value democracy and freedom, commemorate those brave freedom fighters who perished and suffered in the Polish holocaust during World War II.

I urge my colleagues to cosponsor and support my bill to observe and honor those who heroically perished in the name of freedom.

The text of the legislation follows:

REMEMBER THE POLISH HOLOCAUST
H.J. RES. 452

Whereas on September 1, 1939 Nazi Germany invaded Poland thus precipitating World War II; and

Whereas Poland was the first country to offer resistance by force to the Nazi invasion; and

Whereas the people of the Republic of Poland were colleagues of the allied nations during World War II; and

Whereas the Polish people fought to preserve their nation from fascism and communism; and

Whereas Polish forces fought in the West—in the battle of Britian, at Narvick, in Africa, Italy, France, Belgium, and the Netherlands; and

Whereas Poland suffered immeasurably from oppression inflicted upon its people, of all faith, on the battlefield and in the concentration camps; and

Whereas Auschwitz was established as a concentration camp for Polish citizens by the Third Reich; and

Whereas at the massacre at Katyn in the spring of 1940, 4,000 Polish prisoner-of-war officers were murdered by Soviet soldiers; and

Whereas Poland lost approximately five million of her citizens, of all faiths, both Christians and Jews, between 1939 and 1945 as a result of the War: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in memory of all the victims of the Polish Holocaust, during World War II the President is requested to issue a proclamation calling upon the people of the United States to remember the atrocities committed by the Nazis and Russians upon Poland during World War II and to commemorate Poland's struggle for liberty, freedom, and democracy with appropriate ceremonies and activities.●

A RETURN TO TRIBALISM

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, December 3, 1979

● Mr. BONKER. Mr. Speaker, the holiday season is upon us. Stores are jammed, carols peal from our radios, children write to Santa, and the words "Peace on Earth" appear in sermon titles and on Christmas cards. Yet, during the season when unity and "good will among men" should be the watchwords, we instead find ourselves reverting to our separate loyalties as the continuing crisis in Iran and the precarious condition of our citizens held hostage in that far-off Embassy remind us of our differences. For that reason, I commend to your attention the following article which appeared in the pages of the Washington Post.

The article follows:

A RETURN TO TRIBALISM

(By Meg Greenfield)

From the outset, the "old" and the "new" have been mixed up in the Iranian affair in an absolutely disorienting way. This was nowhere better expressed than in Mike Wallace's "60 Minutes" interview with the ayatollah and the commercial static it prompted. There he was—pure 7th-century man. And yet we were to learn that there had been a terrible ruckus over which network got what and that somehow the holy man of Qom had understood the elaborately murderous relationships among CBS, NBC and ABC (does he study the ratings?) and had taken the exigencies of their competition into account. In the end, there had been a little something for each.

This play back and forth in time is important to understand. Many Americans, staring in disbelief at the breakdown of diplomatic ritual and civility and relating it to the rise of terrorism and mob policy, seem to think they are in the presence of something revolutionary—something that is frightening precisely because it is unmeasured, unfamiliar, "new." But the truth is that when you step behind all the imagery and message-sending and related stage play, you find that you are in the presence of habits and techniques that are very, very old. We are witnessing a reversion, as distinct from a revolution. And to some extent, of necessity, we are participating in it. Hostages, siege warfare, tribalism—it is all there.

At the State Department and among the consultancies to government, a great deal of work has been done on the psychology of these various disturbances. We know more than we did just a few years ago about the byways of the terrorist mind. And the new lore has been helpful in knowing how to approach the people who commit these acts and what is likely to calm them down and what may set them off. There has been considerable work done, with benefit of 20th-century psychological insights, on mobism, mob-think and the mentality of the mob in general. But what is novel here is the sci-

ence, not the phenomena themselves that are the objects of this baleful study.

"Friends, Romans, countrymen . . ."—Marc Antony knew as much as the ayatollah does about how you get the mob inflamed on your side, and Shakespeare understood how the Romans used the mob. These seething, lunging masses of humanity are an ancient form of weapon, contemporaneous with the spear, the crossbow and now, as it seems, the MIRV. Leaders unleash them and sometimes pretend they are not their leaders but their helpless pawns. Sometimes it turns out that they do lose control.

Siege warfare and the taking of hostages are of equally ancient lineage, of course. There is a wonderfully sentimental idea around that warfare used to be—somehow—more decent and honorable (dare one say *fun*?) than it is now and that combatants were splendid figures in armor or operetta garb doing harm only to one another as consenting adults will. The gore of innocents, however, is torrential in history, and there didn't used to be all that much fuss made about it. The besieged city was intended to surrender when conditions within it had reduced the general population to a pestilence- and disease-ridden remnant. (Some armies used to catapult their own dead and decomposing soldiers over the walls and into the besieged city to hasten this result.) Populations and leaders were regularly taken for ransom.

So this is what we are headed back to, or at least what it looks to be at the moment, and the disintegration of that veneer of modern practices and assumptions we had thought went somewhat deeper is occurring in the name of a kind of worldwide return to tribalism. Courtesy of the tube and modern communications generally, there has developed a fine way to turn the whole world into a reverberating jungle in which the sounds of chest-thumping, howling near-men can be conveyed to each other across continents and seas.

For us, the temptation and the provocation have been severe. But that doesn't make the impulse to retaliate against their *tribe* here any prettier. "This is a punitive action and it's intended that way," a high official of a college in South Carolina observed the other day, in explaining why the school had actually kicked out all of its Iranians. "Some innocent people will suffer. But there are some innocents in the U.S. Embassay too." This is precisely the feeling that Khomeini has been trying to generate not only among his own people but, for example, among American blacks—a reversion to all our separate primal loyalties.

You could look at much about modern America and see in it the underlying themes that we find so offensive today. Our nuclear strategy is, in one sense, a holding hostage of great segments of the world's population, maybe all of it. Blockades, asset-freezing and so forth are forms of siege. And surely, in the manipulation-of-perceptions-of-reality department, our media and communications technology and our public-relations industry—we actually endow university professorships and departments in these subjects—we are right out there in front. Nor can the Ayatollah himself be said to have dealt us our first blow in these terms. Tet was never so much a military victory for our adversaries in Vietnam as a public-relations and public-opinion victory. The Russians are also better than we are at exploiting these assets—clumsy klunks that they are in so many other kinds of conflict.

But even when you have acknowledged that the underlying themes and assumptions of much of American policy are simply more sophisticated versions of the psychological pressures being used against us now, you haven't covered what is genuinely distinctive about the current predicament or what our own vulnerability and distress in the face of it say about us. We are too "modern," too reason-bound, too successful, too powerful, too well off for it. Our weapons and our theories of their use disqualify us from conflict with the Ayatollah's minions, at least on a direct-confrontation footing (how fitting that when this terrible episode has ended, we will go back to our theologically finespun arguments about MX missiles and SS20 capabilities and the rest of the good book on SALT).

Our stake in our own prosperity is too great and historically novel to tempt us to great risk or to invite what-have-we-got-to-lose fatalism. The answer is we've got plenty to lose. Our vision of the "right" society, the "just" society, one that has faith, reason, the individual's rights and the group's well-being in the best relationship is just downright disqualifying for this competition in obscurantism, mass revenge and hatred.

We are in a hell of a pickle because of it. And we often do truly vicious things on our own motion or in response. Still, I think we will only find the right response in our 18th-century roots—the humanistic and rational sources of our society and our success. The democratic idea was never in worse trouble—and it never looked better.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings, when scheduled, and any cancellations, or changes in the meetings as they occur.

As an interim procedure until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, December 4, 1979, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED
DECEMBER 5

9:00 a.m.

Commerce, Science, and Transportation

To hold joint oversight hearings with the Subcommittee on Energy Resources and Materials Production of the Committee on Energy and Natural Resources to review implications for future Outer Continental Shelf leasing, relative to the oilspill at Campeche, Mexico.

3106 Dirksen Building

Energy and Natural Resources

Energy Resources and Materials Production Subcommittee

To hold joint oversight hearings with the Committee on Commerce, Science, and Transportation to review implications for future Outer Continental Shelf leasing, relative to the oilspill at Campeche, Mexico.

3106 Dirksen Building

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To resume oversight hearings on HUD's administration and monitoring of the Clifton Terrace apartments in Washington, D.C.

1318 Dirksen Building

Armed Services

Manpower and Personnel Subcommittee

To hold hearings on S. 523, 1100, and H.R. 5235, bills to revise the pay provisions of medical personnel in the armed forces.

212 Russell Building

Foreign Relations

To hold closed hearings on U.S. military assistance to Egypt, and to consider S. Res. 235, concerning an evaluation of U.S. foreign policy, defense and security needs and the means for Congressional review and approval.

S-116, Capitol

Rules and Administration

Business meeting, to resume markup of S. 2018 and S. Res. 281, measures to simplify and clarify the system by which Senate committees are provided funds for their operating expenses, including staff salaries; and to consider other legislative and administrative business.

301 Russell Building

Select on Indian Affairs

Business meeting, to mark up S.J. Res. 108, to validate the effectiveness of certain plans for the use or distribution of funds to pay judgments awarded to Indian tribes; S. 1730, declaring that title to certain lands in New Mexico are held in trust by the United States for the Ramah Band of the Navajo Tribe; S. 1832, authorizing the Secretary of the Interior to declare certain land to be Indian reservation land; and S. 1273, to restore Federal recognition to certain bands of Paiute Indians in the State of Utah.

6228 Dirksen Building

10:30 a.m.

Conferees

Closed on H.R. 5359, making appropriations for fiscal year 1980 for the defense establishment.

S-128, Capitol

2:00 p.m.

Environment and Public Works

Water Resources Subcommittee

Business meeting, to continue markup of S. 703, to provide for the study, advanced engineering, and design and/or construction of certain public works projects for navigation and flood control on rivers and harbors in the United States and trust territories.

4200 Dirksen Building

2:30 p.m.

Finance

Private Pension Plans and Employee Fringe Benefits Subcommittee

To continue hearings on S. 1089, 209, 511, 989, 1090, 1091, 1092, 1240, and 1958, bills to provide certain tax deductions and credits for employee pension contributions.

2221 Dirksen Building

3:00 p.m.

Budget

To consider S. Res. 288, waiving section 303(a) of the Congressional Budget Act of 1974 with respect to consideration of S. 1648, authorizing funds through fiscal year 1985 for airport development aid programs under the Airport Airway Act.

6202 Dirksen Building

3:30 p.m.
Select on Intelligence
To hold a closed business meeting.
Room S-407, Capitol

DECEMBER 6

8:00 a.m.
Appropriations
District of Columbia Subcommittee
To hold oversight hearings to review the District of Columbia 1979 Summer Youth Program.
1114 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Business meeting on pending calendar business.
235 Russell Building
Foreign Relations
To hold hearings on S. 2012, proposed Special Central American and Caribbean Security Assistance Act.
4221 Dirksen Building
Governmental Affairs
To hold hearings on S. 1945, to establish a procedure for congressional review of Federal agencies' rules and regulations.
3302 Dirksen Building
Judiciary
Antitrust, Monopoly and Business Rights Subcommittee
To hold hearings on S. 938, to allow injured American companies the right to sue a foreign manufacturer for selling below the cost of production and selling in the U.S market below the price in the home markets.
5110 Dirksen Building

10:00 a.m.
Finance
Business meeting to consider cost-savings, and various tax and tariff proposals.
2221 Dirksen Building
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
Business meeting, to consider S. 1878 and 1879, bills to extend the authority of the General Accounting Office in areas relating to auditing procedures.
1114 Dirksen Building

11:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the procedures for the allocation of mass transportation funds, and to hold hearings on the nomination of Theodore Lutz, of Virignia, to be Administrator, Urban Mass Transportation Administration, Department of Transportation.
5302 Dirksen Building

DECEMBER 7

9:30 a.m.
Foreign Relations
To continue hearings on S. 2012, proposed Special Central American and Caribbean Security Assistance Act.
4221 Dirksen Building
Judiciary
To hold hearings on the nomination of John H. Shenefield, of Virginia, to be Associate Attorney General.
2228 Dirksen Building

10:00 a.m.
Joint Economic
To resume hearings on the employment-unemployment situation and price data information for November.
5110 Dirksen Building

DECEMBER 10

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Subcommittee
To hold hearings on S. 2002, to prohibit the use of the "Rule of '78" in the computation of computing rebates of unearned interest relative to consumer loans.
5302 Dirksen Building

2:00 p.m.
*Select on Indian Affairs
To hold hearings on S. 1464, to acquire certain lands for the benefit of the Mille Lacs Band of the Minnesota Chippewa Indians.
5110 Dirksen Building

DECEMBER 11

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Richard J. Green, of New Jersey, to be an Associate Director of the Federal Emergency Management Agency; William J. Beckham, Jr., of Michigan, to be Deputy Secretary of Transportation; Susan J. Williams and William B. Johnston, both of Virginia, each to be an Assistant Secretary of Transportation.
235 Russell Building
Select on Small Business
To hold hearings on the structure of the solar energy industry.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on S. 2002, to prohibit the use of the "Rule of '78" in the computation of computing rebates of unearned interest relative to consumer loans.
5302 Dirksen Building
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To hold hearings on S. 1452, to provide war risk insurance for American vessels.
457 Russell Building

DECEMBER 12

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the scope of laser research and technology, focusing on the principal applications of lasers and future expectations from lasers.
235 Russell Building

9:30 a.m.
Select on Small Business
To continue hearings on the structure of the solar energy industry.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance Subcommittee
To hold oversight hearings to review international monetary policy relative to the Eurodollar currency.
5302 Dirksen Building

DECEMBER 13

8:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume oversight hearings to review the District of Columbia 1979 Summer Youth Program.
1114 Dirksen Building

8:30 a.m.
Energy and Natural Resources
Energy Resources and Materials Production Subcommittee
To hold closed hearings to review the current status of the strategic petroleum reserve program.
S-407, Capitol
5302 Dirksen Building

10:00 a.m.
Labor and Human Resources
Business meeting, to mark up S. 1386, authorizing funds through fiscal year 1985 for the National Endowment for the Arts, National Endowment for the Humanities, and the Institute for Museum Services, and S. 1429, authorizing funds through fiscal year 1982 for programs under the Museum Services Act.
4232 Dirksen Building

DECEMBER 14

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on the scope of laser research and technology, focusing on the principal applications of lasers and future expectations from lasers.
235 Russell Building

9:30 a.m.
Labor and Human Resources
To hold hearings on the nomination of William A. Lubbers, of Maryland, to be General Counsel of the National Labor Relations Board.
4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance Subcommittee
To resume oversight hearings to review international monetary policy relative to the Eurodollar currency.
5302 Dirksen Building

2:30 p.m.
Labor and Human Resources
Business meeting, to consider the nomination of William A. Lubbers, of Maryland, to be General Counsel of the National Labor Relations Board.
4232 Dirksen Building

DECEMBER 17

10:00 a.m.
*Energy and Natural Resources
Energy Regulation Subcommittee
To receive testimony on the current price and supply situation for petroleum fuels.
3110 Dirksen Building
Select on Indian Affairs
To hold hearings to determine whether the April 1, 1980, statute of limitations deadline should be extended for commencing actions on behalf of an Indian tribe, band, or group by the Federal Government.
1202 Dirksen Building

JANUARY 15, 1980

10:00 a.m.
Banking, Housing, and Urban Affairs.
International Finance Subcommittee
To hold hearings to examine U.S. trade and technological competitiveness with other industrialized countries, focusing on a report by the International Trade Commission on international trade in integrated circuits relating to the electronics industry.
5302 Dirksen Building

CANCELLATIONS

DECEMBER 6

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings to insure equitable mortgage lending practices.
5302 Dirksen Building

DECEMBER 7

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings to insure equitable mortgage lending practices.
5302 Dirksen Building

DECEMBER 13

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance Subcommittee
To continue oversight hearings to review international monetary policy relative to the Eurodollar currency.
5302 Dirksen Building